NEW TECHNIQUES IN MARKETING CAUSED BY GLOBALIZATION

Summary

The evolution that marketing concept is undergoing, with also the effects of globalization, has gained a technology and people-orientated focus. Globalizing liberal economy and technology’s becoming an indispensible part of daily life have increased the importance of customer-orientated marketing system.

According to today’s marketing understanding, the primary objective is not to sell a product, but to develop customer loyalty so that new products, or the same product can be sold to the same customer more than once. Therefore, marketing goods has become the most important organizational issue for businesses. In global markets, most significant effects of globalization on marketing strategies are such that products are shaped along with the market needs, and constituents like advertisements and packaging are prepared as per customer demands. Contacting customers individually, marketing products through e-mails, blogs, podcasts, and forums, manufacturing products that reflect customer needs, and producing advertisements that influence perception besides senses are some new techniques that businesses should adopt to last in the global market. In this study, by investigating the most common marketing practices of our age, the role of globalization in the emergence and application of these techniques have been explored.

Key Words: Globalization, Marketing, New Techniques, Customer

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KÜRESELLEŞMENİN ORTAYA ÇIKARDIĞI PAZARLAMADAKİ YENİ TEKNİKLER

Özet

Anahtar Kelimeler: Küreselleşme, Pazarlama, Yeni teknikler, Müşteri

1. INTRODUCTION
As globalization became effective in all the liberal areas of the world, approaches that highlighted customer value came into prominence. Businesses that formerly had adopted a product-orientated marketing understanding until 1950s had to move towards a customer-orientated marketing understanding with the “laissez-faire, laissez-passé” approach of the liberal economy.

With this approach, which aims at customer satisfaction and customer loyalty, a number of new marketing techniques have become into existence. The main reason for this was that former marketing techniques were based on selling a product and looking for new customers. However, globalization requires selling more than one product to the same customer and manufacturing goods as demanded by customers. Therefore, instead of product-orientated marketing techniques, customer-orientated marketing techniques listed below have been brought into practice:

Word of Mouth Marketing: WOM (Word of mouth) Marketing is an information sharing process among people; namely, it is a conversation about products or brands between consumers and third parties (Yavuzyılmaz, 2015:431).

E-Marketing: E-marketing, which is done with e-mails, blogs, podcasts, and forums, is the act of creating a bond between businesses and target audiences by using the internet and/or
other technological instruments (Brodie, R.J.; Winklhofer, H.; Coviello, N.E. and Johnston, W.J. 2007:4).

Green Marketing: It is a marketing technique that became into being as consumers in our age started to be more concerned about the environment. Green marketing is a marketing concept that involves environmental marketing and ecological marketing. Not only the design, production procedure, and the packaging of a product, but also advertising and likewise activities need to be environmentally friendly (Polonsky, M.J. 1994:1).

Social Media Marketing: This is a new technique that emerged in the 21st century which reached a key position in marketing. This new technique means that manufactured goods are offered to consumers through social web sites. Today, the digital freedom obtained as a result of globalization requires businesses to do social media marketing in order to develop customer loyalty. Thus, media phenomenon like facebook, twitter, etc., have become important instruments for social media marketing, so businesses have already started advertising with these instruments (Saravanakumar, M.; Sugantha Lakshmi, T., 2012:4444).

Relationship Marketing: Relationship marketing means developing good relationships with customers to build customer loyalty and offering them goods and services in a long term period. (Grönroos, 1997:467).

Niche Marketing: It is the process of offering unique and special products to a small customer group (Albayrak, 2006: 222).

Neuromarketing: This type of marketing involves brain monitoring studies for market research (Lee; Broderick; Chamberlain, 2007:199).

Today, the effects of globalization on marketing are called “Global Marketing”. However, many scientists defined this concept in a different way (Svensson, G., 2002:574):

Johansson “…marketing activities coordinated and integrated across multiple country markets”

Keegan and Green “…global marketing focuses its resources on global market opportunities and threats...”

Kotabeand Helsen “…global marketing does not necessarily mean standardization of products, promotion, pricing and distribution worldwide”

Champy “Going global... It starts with recognizing that the World has no center... customers will differ from country to country and that they will expect you to respect those differences, Learn this or stay at home”

Porter “In some global strategies marketing should play the role of tailoring and not standardizing to support an overall strategic position”.

This research is significant as it can enlighten businesses in related sectors about new marketing techniques. In addition, this research is also notable as it can guide researchers who intend to conduct studies in a relevant field.

To better understand global marketing, which has different definitions, and new marketing techniques as its end point, globalization concept needs to be analyzed.

2. Globalization
Most of the time, globalization is described as a phenomenon to explain the existing situation, a process that shows tendencies, or an idealized objective. Eventually, globalization, which is a quite complicated process that involves paradoxical elements, has become something that people assign different meanings to, and thus, several different approaches that identify globalization as the cause for, result of, or the solution for societal problems have emerged. (Demir, 2001: 74).

If globalization has to be described in depth, it is a developing process in which transitivity and interactivity have increased, and resulted in a behavior to respond to global positive and/or negative consequences consciously or reactively. (Zengingönlü, 2005).

It can be said that globalization is made of three interrelated elements: expansion of markets, its challenge to states and institutions, and birth of new social and political movements. These are not theoretical approaches that substitute each other; instead, they express different aspects of globalization. In its essence, globalization owns a framework between states and nations. In respect to its effect on international global economy, globalization is handled with such points as multi-national companies and investments, international trade and regionalism, global finance and money, national decision-making, thinking modes of actors, global civic society, and international institutions (Toprak, 2001,9).

The main effects of globalization process on marketing management can be listed as follows (Prabhaker et.al., 1995):

- Emergence of new competing markets,
- Fast change and reduced decision-making time,
- More complicated and detailed marketing techniques,
- Change in communication and education level of consumers,
- Change in consumption patterns and standards,
- The fact that using marketing information systems has become a necessity,
- Changes in qualifications of marketing managers and experts.

Like in every area of life, globalization has created some undeniable effects on commercial activities. In order that the effects on commercial activities result in firms’ benefits, marketing strategies must be renewed. Therefore, newer techniques in marketing do not develop separately from globalization. In this respect, some new techniques caused by globalization itself are defined below.

3. New Techniques In Marketing

3.1. Word-of-Mouth Marketing

Marketing is the planning and application process of developing ideas, products and services; pricing; promoting; and dispatching so as to negotiate agreements to reach personal and organizational objectives (Kotler, 2000).

Word-of-mouth (VOM) marketing, however, basically rests on communication among consumers. Arndt (1967), who is one of the early researchers to investigate VOM marketing, describes this way of marketing as “a non-commercial way of verbal communication about a brand, product, or service between two or more consumers (Woodside&Delozier, 1976:13).
According to another description, after VOM marketing was conceptualized, marketers have been interested in WOM marketing for the last 50 years. WOM marketing means consumer’s sharing ideas with their friends about a product, promotion, pricing policy, and/or a brand.

“WOM marketing has got the power to manipulate perception, awareness, expectations, and attitudes by non-verbal and informal communication” (Argan, 2006:234). While applications of WOM marketing have increased recently, in cases where visuality is in the foreground, WOM marketing appears to be a more popular marketing technique (West, 2002: 1-3).

In WOM marketing, more formal and less persistent reference groups, such as professionals and business partners, are also effective as well as the informal and persistent reference groups, such as family, friends, neighbors, and colleagues (Korkmaz et.al., 2009:255).

The reasons for WOM marketing to be a stronger medium of marketing than regular marketing means, and the reasons why its importance grows can be explained as follows (Silverman, 2007: 23):

- WOM marketing is the strongest, the most effective, and the most convincing factor in the market. It is objective and independent. That is, the decision-maker gets information from third parties who do not seek benefit of a company or an institution.

- WOM marketing is an experience-sharing technique.

- WOM marketing is independent. Therefore, it is reliable and it is the most righteous medium of communication.

- WOM marketing is personal because it addresses people who are involved in a conversation.

- In WOM marketing, consumers are at the core because they decide who to talk and which questions to ask.

- Obtaining information by WOM marketing is greatly time-saving.

- Obtaining information and enhancing the information obtained through WOM marketing is inexpensive.

- The speed and content of WOM marketing is infinite. Even if a random experience is shared with only one person, this experience can reach a great population rapidly.

3.1. Instruments of WOM Marketing

Some instruments of WOM marketing have been summarized as follows (Malone, 2013):

Electronic Marketing (E-mail): Electronic marketing is the most convenient way of sending information to friends and acquaintances. A business can get their commercial messages spread like a virus.

Electronic books (E-books): These are books that businesses publish themselves, download from the internet, or review existing research and information with copy rights. Customers read those e-books and share the information gained, and the link to the e-book, with their close circle. As a result, the circulation of the marketing message will improve.

Articles: Articles can create an advanced effect in business’ WOM marketing processes. When original articles about the products and/or services are written, the credibility of a business increases among targeted consumers.
Blogs: Blogs are used by businesses to publicize products and/or services online.

Advertisements: Advertisements inform consumers about products and/or services.

Videos: Videos of businesses should be available on their corporate websites, as well as other websites like Youtube. Online users of social networks (e.g., Facebook and Twitter) offer a vast market for marketers where they can reach thousands, even millions of people at the same time.

3.2. E-Marketing

With globalization and the advancements in technology, instruments of trade have also advanced. These instruments are telephones, facsimile, television, electronic payment and money transfer systems, electronic data transferring, and the internet. It is obvious that the internet developing together with the computer technology had covered firm ground in global trade affairs. After computers and the internet were officially adopted in trade, today a commercial activity that is worth of billions of American Dollars has come into existence through millions of computers, hundreds of satellites, and thousands of link stations. (Tarcan et.al., 2005, pp. 146-147). Expansion of the use of the internet is as important for consumers as for businesses. Through online marketing, alternative shopping opportunities have emerged to make consumers’ lives easier. The opportunities proposed do not barely mean a wider range of alternatives for consumers, however, they brought new definitions for time and setting concepts in shopping. By means of electronic marketing, consumers of our age are able to browse, compare, and order products they mean to buy just by hitting few buttons without having to travel (Saydan, 2007, p.199). In a broader approach, electronic marketing can be described in four different perspectives (Turban&King, 2003:3):

- Communication: E-trade means the distribution of products, services, information, and payments through computer networks and other electronic environments.
- Administration process: E-trade means adoption of technology through the automatization of businesses, operations, and work routines.
- Services: E-trade is an instrument which is dedicated to decrease running costs of a firm while increasing service quality and rapidness.
- Online: E-trade enables the buying and selling of products and information with the help of the internet and other online services.

Electronic marketing helps businesses reach global markets without any extra cost and boundaries of distance, and in return, this uninterrupted service to end-users results in increased consumer satisfaction. By developing customer information systems to enhance customer tracking, information necessary for product-target audience matching is obtained more easily, and hence, product development procedures are accelerated, and building marketing strategies is made much easier (Altunok et.al., 2003; Sarsakal & Aydin, 2003: 84; Bakırtaş & Tekinşen, 2006: 134 – 135).

3.3. Green Marketing

As sensitivity to environmental problems and environmental consciousness developed, there have been some considerable outcomes for organizational activities. In order that environmental problems can be minimized, some radical change in institutional culture and
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administrative functions, mainly in production, buying and marketing, is required (McDaniel & Rylander, 1993: 6). With increasing environmental consciousness in recent years, green products have become more popular. Green products “do not pollute the Earth, do not deplete natural resources, and are recyclable and sustainable” (Shamdasani et al., 1993:488). To meet the increasing demand for green products, businesses offer green products to markets. In this respect, businesses can follow three principles to be successful with their green product development strategies (Erbaşlar, 2007):

1. A direct and serious approach to make the product environmentally-friendly, and an evaluation of environmental effects of the product throughout its lifespan is required.

2. With a long-term plan, by concentrating on production process and technology, recycling should be maximized while depletion of resources and waste are minimized.

3. Consumers should always be cooperated with, and high-quality, attainable, and safe goods should be produced.

Green consumer is described as “someone whose objective is to protect themselves and the environment by using their buying power (Odabaşı, 1992).

The expression ‘green marketing’ is used to describe marketing activities which aim at reducing social and environmental effects of existing products and production systems, and publicizing less harmful products and services (Peattie, 2001:129).

Green marketing, to which businesses have been paying greater attention recently, is different from other environmentalist approaches in some respects (Marangoz, 2003):

- The movement of green marketing has emerged as a result of the damage caused by economical growth, technological advancements, and human interaction.

- The process of green marketing depends on developing a business entrepreneurship philosophy rather than an administrative approach.

- Green marketing rests on business’ social performance models and social marketing understanding. Green marketing concept considers three balancing elements: corporate profit, consumer needs; and public attention makes green marketing different from other environmentalist approaches.

The objective of green marketing is to fight environmental problems in marketing activities. Under the light of this objective, it is obvious that consumers’ choices can change when they are provided with information about green specifications of products (e.g., eco tags). As a result of this, businesses will intend to produce more environmentally-friendly goods (Rex & Baumann, 2007).

Due to globalization, more consumers are concerned with environmental issues when they are shopping. While buying deodorizers and hair sprays, choosing products that avoid CFC (chlorofluorocarbon), and tendency to use recycled materials are thought to be outstanding examples for environmentally-friendly consumer behavior (Laroche et al., 2001: 503). Therefore, environmental initiatives can bring businesses larger incomes and build intense customer loyalty. Furthermore, by reducing energy consumption and packaging waste, businesses can also generate additional income as they reduce costs. As a matter of fact,
economically and environmentally, green retailing can be taken as the best business implementations (McKinnon & Edwards, 2009:253).

3.4. Marketing In Social Media

Social media is an internet based body of services where individuals connect other individuals, form their own connection lists, and watch posts by their connections in a public or semi-public environment which is regulated by some certain rules (Ellison et al., 2007). In Okazaki and Taylor’s research, social media is described as a series of technological innovation which is suitable for producing content inexpensively to be used collectively by online users who are interactive in terms of both software and hardware (Okazaki & Taylor, 2011, p.56).

Today, social media offers an environment where masses, from business executives to advisors, internet leaders to advertiser, and bloggers to journalists, share their ideas (Bozkurt, 2010, p.50).

According to Solis (2011:12), social media is a platform to socialize media, and it is an opportunity and a privilege that facilitate interpersonal communication with its online instruments, help individuals contact their environments, and enhance cooperation.

Marketing in social media, on the other hand, means the promotion of a company and/or its products in social media channels (Akar & Topçu, 2011). According to Gunelius (2011), social media marketing covers any kind of direct and indirect marketing activity through social web tool like blogs, micro-blogs, social networks, social tagging and content sharing that creates awareness and allows recognition while lets brands, businesses, people, or products take action.

Social media marketing does not have a rooted background. The beginning can be coined as the 90s when the internet became available for domestic use. Thus, in addition to traditional marketing approach, many researchers have started investigating virtual marketing concept in the meanwhile (Uygur & Bayram, 2013).

Social media marketing activities can be identified in three categories: public relations, marketing content production, and viral messaging. These categories can also be regarded as the objectives of social media marketing activities (Miletsky, 2010:81–82).

Public Relations: The fact that more news is produced by users and the news in traditional media spreads rapidly in online communities force public relations professionals to convey their messages to their target audiences via social media.

Marketing content production:

Blogs, videos, and other contents that are produced with marketing concerns need to be prepared in accordance with their target audience. Brand-orientated content has to appear in social media instruments so that it attracts users’ attention.

Viral Messaging: Content produced by businesses exercising social media marketing needs to have viral qualities. Interesting, funny, exciting, or sensible content that social media users are more inclined to share spread far and wide on the internet. Businesses that own aforementioned content get the opportunity to convey the message they want and create the awareness necessary for their brands.

Marketing in social media offers both producers and consumers some distinct advantages:
-Consumers find opportunities to reach information about products and/or services easily, make comparisons, ask for other consumers’ ideas, and most importantly, by contacting competing companies, they can ask for discounts and modifications in products.

-In contrast, brands create opportunities to make effective market segmentation, improve sales and profit ratio, manage customer relations successfully and build a database, construct a strong brand identity, and support promotion activities (Uygur & Bayram, 2013).

3.5. Niche Marketing

Niche is a small market which addresses individual consumers, or small groups of consumers with similar characteristics or needs (Dalgic & Leeuw, 1994: 40). Niche marketing has been developed to better meet the needs of a small consumer community that needs relatively similar goods and services, and has one or few commonalities (Öcel, 2010: 25). According to niche marketing conception, “there is no product that everybody likes sufficiently; there are only products for some people to be satisfied a lot” (Linneman&Stanton, 1991: 1). Niche market enables businesses to concentrate on a specific segment in a vast market. This condition leads to businesses that are experts in their concentrations and bodies of satisfied consumers, which means that a step towards achieving the optimum profitability is taken (Semiz, 2008: 10). Niche markets rarely attract competitors. As a segment in niche market develops, existing firms in the segment can improve their skill and customer recognition in order to protect themselves (Ercan, 2007: 54). Because they placed added values to products and/or services, a firm practicing niche marketing can add a substantial amount of profit to the cost. While mass-marketing firms reach large sales volume, niche marketing firms reach decent profits.

Furthermore, niche marketer produce goods that are tailored to the needs of their customers, therefore, customers are ready to pay the prices they are charged (Özcan, 1997:21).

The stages of niche marketing application are as follows (Arslan, 2006: 21):

-Besides existing customer base and market, a market segment is chosen by inspecting opportunities of the current market.

-Developing markets and their trends are investigated.

-Developments about the niche services provided are followed steadily in printed-press.

-By conducting market research, customer groups that show interest to, buy, or inclined to buy products and/or services of the firm, and those prospective customers’ needs and demands are detected.

-Existing and potential customers are categorized in accordance with their specific behavior patterns.

-Direct marketing campaigns and promotion activities are organized through printed press.

-In order that the produced goods/services can reach targeted audiences, the message and the media instrument can be modified if necessary.

-So as to meet the needs of another niche that is not active in market, manufactured products/services can also be revised and modified to address the new target audience.
Since featured products that conform to customers’ request are manufactured in niche market, businesses active in this market still remain important.

3.6. Relationship Marketing

That today’s understanding of marketing changed in 1950s from product-orientation to customer-orientation is one of the most important consequences of globalization on marketing techniques. As a result of the effect globalization created on marketing, especially in industrial marketing, a necessity to build a personal relationship between producers and consumers has appeared. In such a changing marketing atmosphere, relationship marketing emerged as a new concept that aimed at building customer loyalty and developing customer relations positively. Defining relationship marketing differently is possible as there is no compromise and direct definition for it. Still, it can be concluded that with this new marketing technique, the main objective is to cement friendship between producers and customers.

The most valid and widely accepted definition for relationship marketing comes from Grönroos (1996:5). Grönroos states that “Marketing is to establish, maintain, and enhance relationships with customers and other partners, at a profit, so that the objectives of the parties involved are met. This is achieved by a mutual exchange and fulfillment of promises”. By defining relationship marketing in this way, Grönroos argues that objectives can be achieved through building long term relationships between parties (Grönroos, 1994: 8-10).

Relationship marketing involves all the marketing activities of a business which are conducted to build, develop, and sustain the relations in the inner and external circle of that business (Morgan&Hunt, 1994: 21-22).

There are several relationship marketing definitions which emphasize building good relationships with customers directly, and developing these relationships under the light of mutual-interests principle. (Erdoğan & Torun 2009:49) report the common points of those definitions as follows:

“-Establishing direct contact with customers,
-Creating interaction networks,
-Offering value for customers,
-Building long term profitable relationships which rely on trust,
-Preserving existing customers”

Relationship marketing that evolves around those characteristics is a strategic tendency to build loyalty of existing customers (Gülmez&Kitapçı, 2003:180).

3.7. Neuromarketing

Neuromarketing, which intended to increase a product’s sales and customer loyalty by enhancing the brain’s perceptions of a product, started gaining importance when G. Zaltman used Functional Magnetic Resonance Imaging (FMRI) in marketing research at Harvard University in 1990, 40 years after customer-orientated marketing approach was adopted. Neuromarketing is aimed at understanding customers through investigating their physiological reactions to, and mental perceptions of products and/or services by using neuro imaging techniques. Neuromarketing is dedicated to explore the factors why consumers prefer certain
products, and use these factors to make people buy a product that is to be marketed. Neuromarketing, another new marketing technique led by globalization, uses medical technological devices to detect the brain’s reactions to certain products. That is to say, neuromarketing is closely related to medicine (Ural, 2008:423).

With regard to neuromarketing, customer loyalty can be earned by revealing the hidden mechanisms of the brain while choosing products because neuromarketing assumes that there is a link between personal choices and brain activity (Ariely ve Berns, 2010:284). Thus, with also the effects of globalization, neuromarketing holds gradually increasing significance. Consequently, manufacturers run advertising activities that address multiple perceptions, such as “jingles, slogans, accessories, logos, promotions, tasting events, perception complementation, theological emphasis and religions, emotional campaigns, product-placement, and somatic images” (Yücel & Çubuk, 2014:230).

In this marketing technique, where all senses are used, psycho-physiological merits are important as well while making evaluations. While verbal and behavioral evaluation models are criticized as they cannot reach mere facts, that psycho-physiological evaluation overcomes the inadequacies of verbal and behavioral evaluations is a widespread view in neuromarketing (Utktuğ & Alkibay, 2013:167). Therefore, the application scope of neuromarketing is great; e.g., entertainment, cinema, architecture, and politics. Besides maximizing the efficiency of advertising, neuromarketing is also used for design and pricing elements of products to form customer loyalty (Fugate, 2007:386).

**Conclusion**

At the present time, the emergence of international, multi-national, and supranational companies and globalizing markets have demonstrated that traditional marketing techniques were not sufficient enough any longer. As in all other fields on Earth, globalization has changed marketing techniques inevitably, and introduced new ones. When affects of globalization were compounded by technological advancements, new customer-orientated marketing techniques in which technological marketing is used arose. Market conditions that changed and developed along with the circumstances of the global economy, on the other hand, have altered marketing understanding in favor customers and, furthermore, gave birth to international agreements, standardization, micro-marketing, and comparative rational marketing.

New marketing techniques are widely used for international and multi-national marketing activities. Yet, not having achieved the same success level in all the international markets results in the emergence of new marketing techniques. These new global techniques are constituents of multi-national global marketing activities.

Because of the effects of globalization, firms that were not able to achieve the same level of success in all markets had to modify products without changing their essence, and particularly, by increasing the use of technology besides advertising, packaging, and etc., these firms led to the emergence of technologies called ‘marketing technologies’. These emergent technological marketing applications are becoming rapidly widespread. In the global economic system dominated by liberal economy, these new marketing techniques have secured their places as they are easy to implement and have high success ratio.

This study intends to explain the new marketing techniques arose as a result of the change in customer expectations and customer relations in tandem with globalization, and hence, the
study will also enlighten businesses operating in this field by informing them. While practicing new marketing techniques, businesses in relevant sectors need to adopt the most appropriate marketing technique(s) so as to enhance profitability, continue their existence, and take advantage of customer loyalty and competition.

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