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# MOTIVATIONAL FUNCTION IN MARKETING MANAGEMENT

The paper deals with the specifics of motivating employees of marketing, and suggests what should be taken into consideration in efficient, effective motivation systems of enterprises in marketing activity. The propositions presented in the paper are the result of the research conducted and the product of long-term interest in this question.

The work that neither entertains nor has sense is not worth to be done well, despite how much is paid for it

Russell L. Ackoff

### INTRODUCTION

Motivating employees of marketing is not a subject of special interest of literature. Other functions of marketing management on the other hand are considered repeatedly and extensively. Most popular are planning and organization and this is fully justified, as they play a fundamental role in performing this kind of activity. Yet motivation and its control is also important, as it concerns the problems usually solved outside the enterprise, in an area where the enterprise itself does not have much influence on the course of events which are essential for its functioning and results. The paper deals with the specifics of motivating employees of marketing, thus those dealing with completing tasks assigned to individual positions or working teams in marketing departments. We propose what should be taken into consideration in efficient, effective motivation systems of enterprises in marketing activity and that is why the suggestion transcends the borders of applied motivation systems. The propositions presented in the paper are the result of the research conducted and the product of long-term interest in this question.

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### 1. MOTIVATION IN THE PROCESS OF MANAGEMENT

Management is also the rationalization of the process of setting and achieving goals, and also setting and executing the ways of encouraging employees to complete them and to control the results. They are determined mostly by the object of activity and the style of management. Marketing management, which is the subject of our interest, is ruled by the same logic as management in other areas of human team activities: production, service, administration, transport etc. However, it concerns essentially different activities and, what is even more important, is difficult to evaluate and motivate. The difficulties in evaluating the effects of marketing activity results from very limited possibilities to set any measures for it. In marketing it is easy to set goals, but much more difficult to enforce their achievement.

In discussing motivating as a function of management we touch questions transcending strict economic disciplines, and this problem in the case of motivating in marketing is, in our opinion, of more importance than in other areas.

In a broad sense, motive is a psychological factor which starts the activity of employees, directed to achieving a goal. In such a meaning psychology uses motive as a conscious reason of our activity.

The question mentioned above is of crucial importance in the case of marketing, as marketing activity is difficult to evaluate and demands much awareness, engagement, self-sufficiency, and invention, thus conscious activity is of special importance here. Motivation is a set of factors starting purposeful activities which can be divided into stimulating inner and outer motivation. In the case of stimulating to work in marketing this differentiation should be especially stressed in defining the ways of motivating employees who, as a result of this motivation, should be more creative and active.

If inner motivation is the tendency to take and continue activities because of their attractiveness, then, due to the construction of motivating system in marketing, the employees should have satisfaction from work demanding more and more initiative, invention, waiting for results and permanent task corrections, and thus taking on more and more new tasks. Taking on more new tasks demands high engagement and identifying with the goals of the enterprise. It is worth noticing that there are few kinds of activity so various and concrete as marketing activities which are able to bring so much satisfaction from work. They however should be supported by appreciating the efforts made by the management, which is another and special kind of motivation.

The feature describing inner motivation is curiosity, and work in marketing means approaching interesting people, various issues, waiting for the results

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which are difficult to foresee and they often overgrow the expectations or the other way round. Inner motivation of marketing employees is related to their need for self-determination, self-discipline and effective action. It reflects competence and gives a feeling of professional fulfilment. Thus prizes, professional success and appreciation are so important in this kind of work. Management has to notice good results. All these are essential elements of the system of motivating employees of marketing.

Outer motivation's task is to encourage to take and control actions of people from inside and outside the enterprise, which in effect brings good sales result. Instruments have to be different besides expected commissions, profit margins etc. Prizes and other advantages, e.g. promotion budget are of importance here. Outer motivation is related to the feeling that the cause and control of actions is of outer character and depends on an individual (Szewczuk 1985, p. 160). This is the common view of marketing employees and other persons indirectly influencing sales. In fact, outer marketing activity significantly supports sales, thus it is mainly outer activity and in a way indirect, dependent on their efforts. Marketing employees often express the conviction that without this support nobody can achieve success in the market. That is why we hear so often about the need to support sales through promotion, shares in incomes etc.

Against such a broad sense of motivating function in marketing we think – which can be questionable – that it can be treated as a special interfunction of management. Well motivated marketing activity can embrace all that goes on within an enterprise: producing better goods, improving the qualifications of employees, taking an interest in the way products are utilized, sales and communication with customers: that is the whole activity of an enterprise.

This is also connected with the question of harmonizing the different areas of activity of an enterprise. The common denominator of harmonization of the team's effort and rationalization of using its resources should be the market and the buyer, user, and customer. The aim of an enterprise's activity is selling its products, services, offers etc. Marketing motivation ensures the realization of these aims.

Yet even the most effective ways of activating co-participants or co-workers in selling products cannot replace the engagement of marketing employees which plays a very important role in this process. Problems with motivation are connected to the attractiveness of this profession. We asked some part-time students of marketing and management, who simultaneously work in trade and service enterprises and have no less than a five-year job experience, about satisfaction from their work in marketing. 254 of them completed questionnaires, the results of which are presented in Table 1.

No	Question	in %			
		yes	no	don't know	
1.	Should a marketing employee have higher education?	91.17	3.5	4.8	
2.	What kind of education should marketing employees have:				
	engineer	20.1	8.3	5.1	
	humanistic	8.9	3.3	2.4	
	economic?	44.8	5.4	2.1	
3.	Are marketing employees well paid?	77.4	19.9	2.7	
4.	Is work in marketing a good job?	72.0	27.3	4.3	
5.	Does work in marketing help in career?	64.6	28.4	7.0	
6.	Does it enable to improve qualifications?	81.8	11.9	6.3	
7.	Do marketing employees enjoy authority among the team of the enterprise?	78.3	12.7	9.0	
8.	How is the work of a marketer appreciated?	70.4	21.3	8.3	
9.	Can work in marketing be evaluated through any	44.1	24.1	31.8	

Table 1
Satisfaction from work of marketing employees, February 2001

Source: own research

The success of marketing activity depends on many factors independent of enterprise, thus also on its marketing employees. However, it occurs that this does significantly lower the attractiveness of this job, that was proved by the conducted research.

Motivation is one of the more important conditions of an economic enterprise. An efficient system of motivating is a combination of stimuli encouraging the inner and outer motivation of employees. For the former, the development of employees achieved through training, perfecting and career development becomes more and more important. Training programs aim at sustaining and improving the effectiveness and efficiency of the work, development programs aim at developing abilities to broadly apply professional abilities in work. That is why marketers value so much the possibility to increase qualifications and become more professional in a given branch of marketing. This gives an opportunity to get a job and strengthens the confidence to sustain in a given branch and the perspective to achieve a career in this job. The motivating force here is ensuring life stability and the feeling of satisfaction given by these guarantees.

The elements that must be fulfilled to talk about professionalism in a job category are the following:

- the level of education
- profits gained

- specialized qualifications (proved by belonging to some professional organizations)
  - social prestige
  - professional ethics
  - defined lifestyle.

According to A. Greenwood, the attributes of professionalism are features related to the basic feature in the marketer profession, that is:

- knowledge
- prestige
- possessing certificates or formally belonging to a given professional group
  - ethic code
  - professional culture
  - honouring of group norms
- honouring of value system of a given professional group (Stoner, Wankel 1982, p. 55).

The similarity of the marketer's personality, qualification and predispositions with the above criteria results from the characteristic of the job realized among people and the necessary ability to influence their attitudes and decisions.

Motivating: especially useful in marketing is:

- 1. Promotion; the perspective of promotion is a significant encouragement to gain high effectiveness. Thus it is especially important for the promotion to be fair, that is based on contribution, not on protection. Promotion is the most important way of appreciating high effectiveness. Marketing employees highly value the possibility of promotion and are especially predisposed to it (usually high education and experience in conducting trade activities for which there cannot be 'know-how' bought of prepared new technologies Thus personal capabilities and the experience of a marketer are of great importance here (Table 2).
- 2. Changes of positions (transfers); they fulfil various tasks. They can be applied to gather more experience by the employees as a stage of their development, to fill vacancies, and also to sustain the possibility of promotion and increasing interest in the job (Encyclopaedia of Organization and Management 1981, p. 192).

Function of motivation consists in direct work with people and it comprises:

- selection and giving instructions to employees
- setting tasks and measures of their achievement
- setting payments
- evaluating and developing staff

- applying non-financial stimuli (promotions, transfers, prizes and other rewards).

The lack of an effective motivation system or injustice in setting salaries or rewards causes an aversion towards work or even leaving it.

## Example

A former giant enterprise from Wrocław, Pafawag (producing carriages and wagons) was bought by the international group Adtrans. As Adtrans was related to ABB and had specific procedures and instructions, some workers of the neighbouring ABB Dolmel were transferred to Pafawag, because of the bad financial condition of the former. The alleged "superiority" of Dolmel workers caused that these persons were offered double or even triple pays in comparison to the workers of Pafawag. This caused conflicts and discrepancy. Old workers felt humiliated, while the new ones felt better. The old workers were demotivated. In this situation young and educated persons quit the job because of frustration.

Marketing workers often work outside the enterprise and thus are less visible or known to the persons deciding about the prizes and other advantages. That is why the frustrations described above are often met in this profession. It is worth stressing that the analysis and results of the conducted research negate, to some degree, these common opinions (Table 2).

Table 2

Meaning of motivation of the marketing department management and sales departments

	Criteria according to significance						
No.	Kind of motivation	marketing	sales				
1.	Financial	9.1	14.2				
2.	Appreciation	24.4	18.8				
3.	Responsibility	15.1	17.8				
4.	Relations with superiors	19.0	16.0				
5.	Promotion	13.7	11.6				
6.	Achievements in work	27.9	21.3				
7.	Range and kind of work	17.0	20.8				
8.	Cooperation with other departments and co-workers	13.8	20.5				

Source: own research

### 2. THE SPECIFICS OF MARKETING MANAGEMENT

Marketing management is in practice continuously influencing and shaping the situation in the market and inside the enterprise, favourable for selling its products. This is difficult but possible, thanks to the engagement of employees z. knecht 115

who can influence the process of shaping products: that is their usefulness, quality, price, brand, distribution and rationalization, but first of all promotion. However, these are non-measurable activities. If the manager of a production department can evaluate the efficiency of the workers, as the technology procedure defines in detail the operations, usage of machines and appliances' abilities, thus of the persons operating them. In the case of marketing the work can be evaluated verbally. Besides, marketing activities are held mostly outside the enterprise.

Motivating for an effective marketing activity inside the enterprise is also difficult to measure, thus to evaluate and to execute. It should adequately encourage concrete and clear actions and behaviours. It must, however, be admitted that it is easier to evaluate and measure the effects of activities related to inner environment, thus to measure the effects of encouraging to gain the following units for the enterprise: suppliers, buyers, agents, customers etc. and to influence the behaviour of the staff, to develop the product etc. as these are areas that can be affected to some degree by the enterprise. It is much more difficult to measure and evaluate the results of competition and to encourage and check the results of actions taking place in the environment of consumers and their needs, to find solutions concerning legal and economic regulations, to take into consideration natural conditions, gain new technology, shape high quality in relation to price, take into consideration political and cultural conditions, especially in foreign markets etc. (Kotler 1994, p. 139).

In marketing activities we can speak of more adequate measures and rewards only in the case of employees dealing with sales through counting the value of the sales, but normally these people's job is everyday meetings with customers, phone calls, sending offers, faxes etc. If the tasks described could be measured and evaluated in marketing management, then motivating in marketing would be easy. However, this is not the case (Knecht 1998).

## Example

A firm selling mushrooms employed two specialists—marketers. Both of them had to visit their clients in their specific areas. One of them set a goal to visit one client per day despite the weather, financial conditions etc. The other marketer did not set such a goal and in spite of this, he had better sales results and customers preferred calling him than his colleague (BME Consulting 1999).

The failure of the first marketer resulted from the fact that while executing his plan "one customer per day" did not take into consideration

the specifics of each client. He always went to the client about noon and spent two hours with him. This unfortunately was not a good tactic, as some managers prefer meetings in the morning, and some in the evening. What is more, there are customers who like fast deals, as they are very busy or well organized, and some of them prefer a whole day of discussions and presentations to make their decision.

Thus it is difficult to measure the results of the work of a marketing specialist. Sometimes a person who is not well oriented in the technical parameters of a product, but has a nice appearance or voice, can sign more contracts, sell more products and popularize the firm.

In evaluating the results of the work of marketers we use verbal and general assessments, as it is with the results of the work, that is customers' satisfaction. For instance, in widely used questionnaires concerning customer satisfaction of possessing the product we use such answers as: I am very satisfied, I am not satisfied, it is indifferent to me etc. These are very superficial and general evaluations and their sum is also a verbal base for making decisions concerning the products, the offer etc.

In the surveys concerning familiarity with the brand we expect such answers as: I do not know at all, I have heard of, I know, I know well etc. The majority of managers regard these answers as too general hints for making decisions, also these concerning marketing activities, as financing promotions and especially advertisements. The influence of marketing activities on shaping the market of an enterprise, therefore its effectiveness is mainly measured through asking clients for opinions about the products, its accepting or not accepting, the volume of sales in individual markets etc. The results of marketing management are thus imprecise, as they are usually general statements or opinions, even if they are supported by numbers from summing-up the answers from the surveys. This limits the possibilities to prove the results of the work and to apply by the management objective and effective forms of motivating employees dealing with marketing. More important is the fact that the marketing employees do not obtain clear proves for their work and efforts or successes. This leads to the situation when their work is evaluated verbally which is not very motivating or limits economic, and especially social, motivation. This does not however decrease the meaning and usefulness of the results of the surveys and information and the general value of marketing in management and supporting executive decisions. There are no other more precise thus more useful hints for the management.

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# 3. MOTIVATIONS TO WORK FOR MARKETING AND SALES MANAGERS

Surveys of motivation to work were conducted among sales department managers or employees conducting sales independently in smaller enterprises and dealing with marketing. The research involved employees from the same enterprises. In our case they were marketing employees not burdened with other duties, though fully dedicated to their work and familiar with the complexities of marketing activities. Thus the examined group was very homogenous and representative as to work and opinion hidden in the field of sales and marketing.

Pilot research conducted among managers dealing with both marketing and sales, thus in the departments which appear most commonly in practice, showed that the results of opinion polls in this group of employees do not reveal a homogenous and clear differentiation in motivation to work in these apparently close areas of activity. Thus we omitted the opinion of this group. The results differed significantly when the subject of the survey were managers of separately marketing or sales. That is why only opinions of separate sale or marketing departments were taken into consideration. In some cases these were the employees of smaller firms, but managing the sales or marketing on their own. The results of the surveys are as follows (Table 2).

It is difficult to conduct broad research without adequate financial support. We managed to obtain the opinion of 37 marketing managers and 64 sales managers from well-known Polish enterprises. We conducted the research in the whole country: Lublin, Warsaw, Gdańsk, Szczecin, Łódź and other cities. All those surveyed answered the questions on the basis of their experiences, attitudes, beliefs, conditions of their work and image of the conditions they would like to have in the future. The differences in opinion between sales and marketing managers indicate the existence of big differences in their motivation in managing these two areas of activity, and also of differences in work conditions of these two spheres.

The results of the survey inform us that the managers of sales value financial motivation higher than their colleagues from marketing. Sales manager, moreover, feel safer as the results of their work are more measurable; they can also make demands more easily, not only concerning their payments. Marketing managers often work more on better cooperation inside and outside the enterprise. On examining the problem more closely, it occurred that this concerns the conditions and possibilities of fast, full and independent cooperation with clients. Commercial practice often stays behind the theory. In big enterprises price strategies are not common negotiation processes realized

in direct contacts with customers, but they still remain centralized decisions on the management level, not operative service in which flexible price negotiations should be usual. Interesting and sarcastic remarks on that matter would make another article. Examining motivation to work we noticed that in this matter marketing managers are people from "another world" though they live and work in the same enterprises. Working conditions in marketing are different, especially because the profession of a marketer differs from direct sales and because the results of this activity are difficult to quantify and the evaluation of it depends a great deal on the managers' opinion. That is why marketing managers do not highlight the salary as the main motivation factor, but they point out appraisal and value success as these verbal expressions make their credo. Marketing managers usually have shorter work experience and better theoretical preparation, usually a high education and numerous additional courses. They consider working in marketing an interesting job, but they are aware that the results of this work are revealed after some time and they cannot be attributed exclusively to marketing. Marketing successes result mainly from the fact of possessing good and valued product in the market which is mainly the contribution of capital, technologies and producers, and less that of marketing. That is why marketing success and the essence of marketing activity is a systematic and systemic work supporting sales and encompassing the whole firm and all the employees. Thus the structure of motivation for marketing managers should be different than in the case of their colleagues managing sales, and even more from motivation for supply, production, transport, administration etc. managers.

# 4. ESSENTIAL ASPECTS OF A MOTIVATING SYSTEM IN MARKETING MANAGEMENT

Marketing activity is a team activity. We cannot expect market success without common, well organized and hard work of many people who have an impact on the quality of the product, its sale and feedback from customers. That is why the motivational systems should concern first of all the employees who have an impact on shaping the elements of marketing mix.

When engaging into work an employee can be also motivated by satisfactory cooperation in marketing teams in which good atmosphere, cooperation and participation in decision-making process are predominant. To work effectively are the advantages of shared, participative management especially encouraged such as:

- collective setting goals and tasks
- differentiation of the roles and the necessity to cooperate

- influence on tasks and the possibility of negotiating the way of their accomplishing
  - trust and tolerance as a basis of cooperation
  - identifying with the enterprise
  - co-creating working conditions
  - satisfying high-level needs (Knecht 1990, p. 23).

The ways of motivating to effective work because of the degree of complication and numerous variables, should vary in respect of the fact whether they consider the elements of outer or inner motivation. Moreover, every specific form of activity and work, which is the case with marketing, needs the application of different kinds of motivation. The following are examples of various kinds of motivation.

## 4.1. Motivation systems in teams of market researchers

The persons dealing with market research should be motivated in such a way that they would want to do well and honestly a responsible, independent and arduous work of collecting information, selecting it, processing and competently interpreting it. Such work demands the ability to analyse and to view critically and objectively the problem examined. Market research should be thus done by persons with scientific predispositions or, at least, a disposition to analyse and logically draw conclusions on the basis of a deep knowledge of the branch. Motivation, besides financial rewards, should comprise e.g. publicizing the name of the researcher and thus stressing his/her responsibility for the value and trustworthiness of the results that are helpful in management decisions. The responsibility of the researchers for the results need not be stressed; wrong interpretations can ruin the effort of the work of hundreds of other workers and put the enterprise into serious trouble. Publishing the results in the form of a booklet, report or article is also an adequate and strong motivation that engages the author and researcher into the subject of his/her interest and the work performed for the enterprise. Undoubtedly, the fact that the results of the market research are used mostly by the management is also satisfactory. The fact of working for support management decisions is in itself motivating to the responsibility and arduousness in the work of a market researcher.

## Example

A person responsible for creating a database concerning the market wrote, on his own initiative, a report about the service market in which the firm was operating. As the firm was undergoing restructurization, its president, who was

devoted to creating a new organizational scheme at that moment, did not read the report and did not give any feedback to the author of the report. He did not say a single word about it or the data it included, despite numerous questions from the author. Every time he replied he would read the report when he had some free time, but this never happened. He did not even thank the employee for preparing the report. As a result, the person has never prepared any report since, even if he had the opportunity to write one.

## 4.2. Motivating product creators

Although the idea of new products surfaces as a result of marketers' request, there is no doubt that the creator of a product are engineers, technicians, technology specialists etc. (in 32.4% the idea of a new product comes from the marketing department, and in 24.3% from the technical-construction departments) (Kramer 1994, p. 46). These are persons directly connected with the project. Engineers make projects and they greatly influence the qualities and usefulness of the product. Their commitment and knowledge decide about the qualities of the product defining the possibilities of its promotion and sales. They also prepare calculations, and cost accounting. The technology department decides about cost level, and, in consequence, the price level of a product. The sales department or, sometimes, the marketing department, sets the price on the basis of these calculations. It is obvious that the prices established on the cost basis and market prices will differ, even in the case of analogous products, but the marketing "orientation" of the workers of production needs effective motivation for producing at the cost and quality level, thus creating the possibility to compete in price or quality in the market. Besides economic motivations in this area, there exist the whole range of presenting ideas of constructors, technology specialists, rationalization specialists and of combining these achievements with market success.

# Example

A firm repairing tram carriages received an order to repaint a set of carriages. After cost calculation: preparation, sanding, welding, painting and other necessary repairs, the cost was set at the level of 34,000 zlotys for one complete tram set. A marketing specialist decided that the price was too high and not competitive. After many hours of negotiations, decreasing the time of work and cancelling some activities the client was proposed the price of 19,000 zlotys that is nearly half of the initial price. Production specialists claimed that this price was not realistic, and marketing specialists replied that everything must be done to sustain the price at that level. There appeared a conflict, which

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is normal between a production and marketing department, but the firm won the contract. Later it occurred that offers from the competing firms were much lower than the initial calculation and they would win the tender. The contract they won gave the firm work for half a year and finally became profitable.

## 4.3. Motivating the participants of the distribution chain

The process of distribution is understood as the activities related to covering time and space differences occurring between production and consumption. It concerns shaping distribution channels, that is negotiating the directions and conditions of distribution and the physical transfer of goods from the producer to the final consumer, the way of transportation, storing, conservation, refining products etc. An important aspect of this activity are matters concerning the number and kind of cells of distribution chain and setting tasks for individual participants of this process. Workers and co-workers in this area can save a lot of money when distribution channels are rationally shaped and that is why motivation in distribution influences greatly the revenues of the enterprise.

All the agents participating directly in this activity make a distribution channel. Thus this is a way, on one hand, which covers the product from producer to consumer, and, on the other, a chain of economic organizations, by means of which transfer of goods, services and information is performed to the market and back. A distribution channel comprises numerous activities: the physical transfer of the product, transfer of ownership of the product or copyright for its use, promotion, ordering, transferring amounts due, taking risk, negotiations, market information. Thus modern producers do not perform all these activities on their own, but employs many specialized agents. Among agents these are merchants who have full ownership of the product and the right to sell it further or agents who get definite provisions from selling goods. The producer has to share the profits with all these agents.

The choice of a channel entails specific consequences for the activity of an enterprise. For example decisions in relation to prices depend on whether an enterprise chooses for its product a specialized agent or passes it on for mass distribution. There are also other implications related to the choice of the channel. If, for instance, a car producer chooses an independent agent for selling his products, then it is not easy to change him when conditions on the market have changed. Thus the motivation for a distribution channel often takes the form of motivation for a group of participants (and relations among them) acting on the basis of agreement. Then, the flow of product streams from producer to consumer or another final user increases the sale price, but at the

same time, positively influences the promotion and common availability of the product.

Many distribution channels can be rationalized and their participants motivated by applying various forms of integration. Integration within a distribution channel can be vertical or horizontal. Vertical integration often occurs in oil companies, banks, wholesale organizations, and sometimes in car producing companies (Kurnal 1982, p. 40).

Among Polish firms good examples of beneficial horizontal integration are: Polifarb, Centrostal, Cefarm, where informal agreements as to the division of the market allowed these firms to survive the most difficult time of shaping new distribution channels. In this area adequate motivation of the employees makes it possible to change the character of the used channels and distribution strategies. Polish enterprises are characterized by passive distribution strategies and those with a share of foreign capital apply active distribution strategies. Only foreign firms in the Polish market represent classic marketing strategies of distribution.

In practice, constructing distribution channels can be very complicated. A producer can use many channels depending on the product and market to which the product is addressed and on the time he sells the product. The selection of a channel is only a component of a given strategy and that is why it has to be discussed in relation to its other elements. Essential is what is more profitable for the producer: selling the products through his own network or using professional agents' services and, in a sense, losing control over the way the products are sold and to whom they are sold. The character of this activity needs a rational sharing of profits with the participants of the distribution channels. Congratulation letters are not helpful here, because every participant wants to make as high financial profit as possible and the producer can motivate mainly with shared profits, the scope of promotion and participation in various forms of additional promotion. Market research in a given sector is very important here. In market research there should participate the cells of distribution chain, and sharing the results is an incentive and serves in developing a common strategy in the market. Distribution can be a very profitable area for an enterprise. What is produced in the production sphere, with lowering the cost, can be later squandered by an inadequate, expensive distribution channel. This situation can be caused even by only one employee, as usually only the sales representative of the enterprise influences the direction and conditions of sales. Thus his/her commitment and motivation to honestly search for buyers, taking into account cost and profits, can bring about a considerable financial profit. There are also losses which can be contributed to competitors' activity, limited market and other external causes. However, in this area of marketing activity financial advantages, independence and adequate equipment (well furnished office, a good car etc.), training and rewards should dominate.

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## 4.4. Motivating persons responsible for promotion

Promotion is the tool of marketing mix which gives the most possibilities to display one's talent for the persons who want to focus attention on their firm and its products. The employees of direct sales are people of special predispositions: independent, well-oriented in the product range, economic and legal conditions of sales etc. They belong to the group of highest earning employees and their position in the enterprise hierarchy is very prestigious and satisfying. People efficiently dealing with advertising are well and universally qualified. They cooperate with advertising agencies, journalists, they construct the advertising campaigns. This is a very satisfying and well-paid job that holds the promise of a professional career, which can be considered the main motivation in this kind of work. The motivation of employees dealing with creating a positive image of the enterprise is similar. Additional promotion comprises all kinds of bargain sales, exhibitions, presentations, rebates, additional gadgets and so on. This latter activity should be planned and realized by well-qualified employees, as much money can be spent fruitlessly without adequate preparation. Generally, to promote well, advertising campaigns are contracted to external firms who make professional decisions as to the choice of media and forms of promoting, and especially advertising. Motivating this group of people is especially important, because the contractor defines expectations and assumptions of such campaigns. Their results are difficult to forecast unmistakably and thus, a well-motivated, well-paid and competent marketer can assure the right choice of advertising agency, campaign, calculate the costs and estimate the effects expected, in other words, to rationalize funds for advertising, which are usually substantial. This is an important and interesting work done outside the firm as its representative, which brings prestige in the environment, and its accomplishment becomes one of the most important motivators in the marketing activity.

# 4.5. Motivating financial controllers responsible for setting price level

Price is an essential component of marketing. The price of a product or service is defined by the demand for goods. The price decides about the competitiveness of a given product and the position of an enterprise in a given market segment. On the price depends whether there is a return of costs e.g. concerning the promotion of a new product and whether the price earns profit at all, which is the condition to expand in this market. This proves the fact that decisions concerning prices cannot be planned and made separately from other elements of marketing composition. The price level is decided by the following

factors: the character of a product (new or known in the market), its use (features of a market segment), uniqueness in respect to other products that already exist, the number of cells in the distribution chain from the producer to the final consumer, the costs of packaging, promotion and sale. Generally, prices can be shaped in various ways, and often we differentiate three basis for shaping prices: demand, costs, and prices of competitive products. Motivating the staff responsible for deciding about prices should be connected with their participation in the financial results of the firm. Too often, however, we forget about the role of the employees of accountancy departments, who have up-todate information about the cost level of producing goods and services, but this data is seldom used by price strategists in the enterprise. Every change in variable costs, e.g. the price of raw materials or labour costs, is an impulse for decisions concerning price strategies in a competitive market. An important role and adequate way of encouragment should be planned for the employees monitoring the price level in the market. A fast reaction to a price fluctuation in the market can bring about significant advantages. Market prices do not only rise, but are subject to season fluctuations e.g. a too late bargain sale causes a respectively higher cost of storing products till next season and that cost is often equal to the basic price of a product.

### 5. INTRODUCING A MOTIVATION SYSTEM

Introducing a motivation system, especially marketing motivations, is a complex process and it should be not only introduced by the management, but also controlled by marketing employees. They know best what encourages them to work most effectively. However, we have to remember that in the case of marketing activity good ideas do not always prove to be profitable. Their success depends on objective conditions and criteria, and also on the abilities and predispositions of the employees, and conditions in the competitive market. The most important feature of a marketing manager is the ability to work with other people, as he/she is not able to do anything by him/herself. The most difficult task is to engage the departments to cooperate with others in accomplishing the tasks included in the marketing plan. As we know, against the background of this cooperation numerous conflicts emerge. An important ability is thus a problem solving ability and the ability to help with solving problems, thus a skill to win management's help and a talent in negotiations. Marketing plan consists of hardly measurable and tasks difficult to control, thus the motivation to their accomplishment should be connected with the general results of an enterprise.

Introducing a motivation system has to be related with these four factors:

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- Creating a vision of the firm's development. People like promises. It is really motivating to hear e.g. that the brewery is going to expand the production line of beer bottling which makes the enterprise the most important in the whole region. Such information is very motivating, because the worker hears that he/she works in an excellent business and their rich firm has money for investments and it will survive which means keeping the job for years.
- Vitality. It is really difficult to motivate an employee to take care for the firm's development or increasing productivity, if his/her job is to sit in front of the computer with only 15 minutes of break a day. Such an employee easily gets bored and frustrated and the lack of energy gets reflected in his/her work results.
- Competence, that is knowledge and experience. In this case the motivation system should comprise, besides financial rewards, also the possibility of training and professional development for the staff. In marketing activity not only training, but also meetings are a place of important information and experience exchange that cannot be replaced by any textbook. Increasing the level of competence is for an employee a basic assumption for career shaping and a guarantee for long and effective work.
- The system of values accepted in the firm as priorities. The employees like the feeling of belonging, community and respect (Infor 1999, p. 63).

Introducing a motivation system is implementing certain procedures and formalized norms (Nickels 1995, p. 95). Motivation systems in Poland do not fulfil the norms of the EU, and in the case of integration this can cause difficulties e.g. in winning a share of the market. Inadequately motivated employees will not fight fervently enough for the market. Thus this sole fact should be one of the most important motivators in marketing. Our systems lack not only the full and motivating participation of the employees in the profits resulting from efficient functioning of the enterprise, but also the range of incentives is too limited e.g. participation in various funds, leisure, paths for developing careers or further education. The latter is strongly connected to the specifics of marketing and with learning more knowledge from various disciplines: technique, art, humanism etc. This remark was submitted by persons dealing with the problems of our joining the EU. One of the statements was that "Statistical market research are more and more often insufficient to learn about customers' behaviour, which is a 'sine qua non' condition for any successful advertising campaign or introducing a new product. In order not to lose the contact with the 'real world', marketers of big companies apply Freudian techniques of psychoanalysis, called in this case 'quality research'" (Bielecki 1994).

The search for the ways of increasing the level of marketing work is the whole set of techniques which should be well-known to every marketer and applied not only at work, but also to shape good and profitable interpersonal communication in their private lives. This can also become a specific motivator to marketing work. These techniques can be divided into group discussions, individual interviews and projective tests. The aim of these techniques is to reveal the preferences of consumers. Such information is not available through ordinary statistical questionnaires and surveys. Quality research is often applied these days as its results help to reveal why people buy certain product. They also tell us about the relation between customer's behaviour in the shop and his/her desires and emotions. Thus there is a shift of attention from the product to the customer. A marketer becomes a psychologist who examines and shapes the sub-consciousness which is much more difficult and challenging a task.

Motivation systems in marketing activity should be constructed in such a way that the marketing employees were loyal to the firm and wanted to work for it as well as they could without monitoring and urging. It is not sufficient to make a good product these days, but it must be chosen by the consumers from among other similar products of high quality. The marketing specialist must thus know and apply techniques adopted even from psychoanalysis, as only a part of consumers' decisions can be easily explained. The explanation has to be always rational, even if the reaction of the customers is irrational or subconscious. A marketer should study these emotions and behaviours to later utilize the conclusions for his/her firm.

The motivation of marketing staff must thus concern not only financial stimuli, but also arouse various interests. The research should be used often to:

- learn about the motivation of customers buying products of a given firm:
- adequately prepare introducing new products, especially little known or rare:
- learn about such market mechanisms as customer loyalty to a brand and paying more attention to prices or to quality (Bielecki 1994).

The question emerges of how to motivate local marketing departments if the patent (at least psychologically) for good marketing is still in the possession of foreign enterprises. Observing the development of hypermarkets and supermarkets, customers are impressed with the high class equipment, service, decoration and aesthetics of the products. However the managers of these foreign firms often forget about typically Polish conditions and habits. Thus Polish staff should be motivated to make a Polish client feel in Tesco, Leclerc, Hit or any other hypermarket like in a traditional shop. This is very difficult as western companies promote their own motivation and promotion plans.

Managers are often replaced or transferred to avoid corruption etc. The employees who know they will lose their work or get transferred sooner or later do not care for the customers and the image of their firm. Instability is the most demotivating factor here. Hypermarket customers often comply about meanness, lack of knowledge about the product, problems with executing complaints or receiving an invoice etc. This must negatively influence the concept and rationalization of marketing motivation in the Polish market.

Motivation can be introduced through training. This is a good method as the staff who can motivate themselves can apply this knowledge in work with clients.

Motivating marketing employees can consist of answering questions whether the employee:

- can work in a team
- can communicate well
- is customer-oriented
- shows leadership abilities
- is a model of ethical behaviour
- sets high standards and has high expectations
- engages him/herself and entitles others to act
- sets priorities
- understands and accepts the vision of firm's development (Adams 1998).

Properly motivated marketing enables an enterprise to succeed in the market if the employees:

- consider satisfying customer needs as the basis for their activity and as the main orientation of an entrepreneur and manager;
- systematically examine the demands, wishes and aspirations of the consumers of their products;
- make products which satisfy to the highest possible degree the needs, demands and aspirations of the customers;
- arouse and create the demand through making and selling new products that satisfy the so far unrevealed needs of the customers or satisfy them better than already existing products;
  - supply products to the right people and right places at the right time;
- apply effective forms and means of promotion that reinforce the value of the products and services and are in favour to acquiring more customers;
  - prevail their competition in this field;
- obey the rules of ethics in economic activity and feel socially responsible for it;

- make all the above in a way that assures the high effectiveness of work, material and capital resources for making a long-term profit as a basis and source of development and thus fulfil the economic function in the market.

#### CONCLUSION

Motivation is the key to achieving success by an enterprise. The success is based on employing persons who can or should succeed in responsible work. A firm should search for such persons who are characterized by the following three features simultaneously:

- talent
- motivation
- optimism.

These three characteristics together determine success. We are not talking here about success understood only as a marketing success of the firm, but also personal success, understood most often as a professional career.

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