

## THE CHALLENGES OF THE APPLICATION OF "MARKWARE" NOW IN ALGERIA

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### Abstract:

The economy of the entire nation is continually influenced by the environment in general and particularly the political economic, marketing, management must serve at all times to enable the achievement of development goals.

Again, it is imperative to force as an economic update to managerial vision for scoring the maximum possible developments and, as compared to wills change (given the globalization of markets and the revolution information in all its shapes), as compared to the drawbacks that firms are suffering from every day because of the competition, the existence of the informal sector and increased behavior of the consumer more unpredictable.

Control competitiveness strengthened by managerial intercultural management leaves little choice for the company that aims at performance: it must ensure its ownership to its market as well as the overall supply.

The effort of "adaptability" will cost the adoption of certain indisputable principles in marketing-management domain, which commit to further skills development...

The "MarkWare" as proposed by Yves Le Golvan (marketing dictionary, 1988) implies that the company adopted eight key concepts of marketing management-all complementary, although some of them have more than one operational aspect Strategic these are the following fundamental concepts (as quoted by Yves Le Golvan): Market needs, vocation, positioning, marketing mix, differentiation, image, profitability and planning.

The Algerian company (in this case public one) as far as it is concerned, witnesses fluctuating conditions due to imposed reforms without paved the way, as to make contradictory and generating crisis and deficit. Integrate "MarkWare" in a new context with a traditional economy requires that the undertaking concerned is seriously considering issues while undertaking a review of its management vision then a new approach involving as wholly adapted marketing.

With regard to some investigations that we conducted with a sample of three Algerian public companies which already express a diagnosis denounce the consequences of instability and under management, we will try in what follows to study real issues in the applying of the "MarkWare" within them.

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**Key Words:** Management, marketing, "MarkWare" economic context, stakes

### Introduction

Follow the evolution of the global economy is to adopt the principles of the new economy called "digital" or "numerical" who is experiencing the full growth in most advanced countries in the New Technologies of Information and Communication (NTIC ).

This new context (global) imposes new conditions of development as the developed countries to developing ones.

The applicability of any economic system would be conditioned by many rules and principles of management, starting with the same vision of the company.

We cannot therefore achieve the expected-for-performance and competitiveness if the economy does not follow, in the sense that the modern economy is one that best fits the current practices of management.

It is high time for us emphasized that in Algeria a lack appropriate theoretical model on which we would have thought to achieve finally a real upgrade of the Algerian economy.

In order to do this, we are committed through this research to study the reconciliation of alternative managerial principles, on the one hand with the economic imperatives, with the commitment of leaders within economic entities on the other hand

Otherwise, assuming the existence of some willing for development and growth, a question will continue to torment us as follows: "dualism backward economy and new managerial system, he is likely to exist?"

This research proposes an answer requiring exposure of marketing-management policy of a public companies sample, while studying issues that could offer their entire context and while checking the application of eight fundamental concepts of marketing-management that «MarkWare» has on them.

Issues consistent with this application could inform us about the chances guarantee the applicability of the "MarkWare" in Algeria.

#### **Marketing, Business And The Economy**

The objective is the major focus of any entity, the purpose is the long-term direction of the business of any company, in this context, it should be counted (while distinguishing them), the profession, the mission the identity and culture of the company. The goal is to obtain the general result without specifying the time horizon of quantitative data ,contrary to the objective that defines the time ( via quantifying ) the goals of the company and is a management tool for operational aspect .

Performance in turn includes two complementary aspects:

- Effectiveness: results in achieving the goals already set.
- Efficiency: results in minimizing the use of assets and resources in fulfilling the objectives.

The company seen as dependent on the theory of its creation, its structure, its organization, its strategy and its decision-making centers, is being regulated by environmental factors, macro and micro types

Two visions of the environment are in mind:

- The traditional view: the company is more concerned with competition than its market; identify environmental concern, however is lesser;

- The new vision: The company received favorably the shift and handles events in a creative way, which implies a perfect knowledge of the environment. The care of creating customer value and satisfaction the latter desires at most is consequently obviously expressed.

Marketing being what contributes most to the achievement of organizational objectives by creating, revealing and promoting the value to the public, companies and their clients (Lendrevie & Lindon, 2003); in a market economy, the objective is to maximize the yield of capital invested for shareholders, which implies the implementation of various short-term goals hence, the idea of performance and survival of the company.

In marketing concept, business management is based on performance, not on sales volume; it is the spirit of the long-term profitability which cannot be achieved without bringing more value to customers. A concept is thus born (P. Drucker taken by Colombia Harward, 1996): the strategy provided value, requiring us to stick to the customer, competition and profit.

Marketing is a great creative function value (thanks to its various functions that are complementary in the whole) to the client (short-term) and long-term for the company (which returns to profitability in its wide sense).

Economic development is the result of the effectiveness of macro marketing, marketing is then a real key to growth. However, it is still the most delayed and poorly developed economic systems at the same time the party which can be improved soon.

Improved marketing makes better use of economic resources, becoming more adapted to the needs of the consumer.

The new economy called the "network economy" is based on three pillars (Gilles Gernier, 2000): information, the ability of the process (information system) and its transport (telecommunications and internet): an economy based on new technologies and especially the internet.

It is nowadays a market economy, however working differently that is based on direct communication between producers and consumers by encouraging us to move from an economy based on products and services in an economy centered on the client and expectations (G. Gernier, 2000). Note that the marketing is defined as the foundation of customer knowledge, which allows you to customize the offer intended for him, through the analysis of its behavior. Thus was born the concept of "Customer Relationship Management" CRM known as integrated system used to predict, plan, manage and monitor the activities before and after sales.

the marketing concept as far as it is concerned, (and in this case strategic) has its own contributions to economy , management as well and facing the evolution , individualization, specialization , concentration, dimensions diversification and performance.

Net economy has in turn strongly influenced marketing imposing a new economic system with all its requirements, including the largest, the adoption of information technology. Which enhances the effectiveness and efficiency through a system called intelligence. E-marketing is to be so close to the business market.

### **The "MarkWare" Conceptual And Its Implications On The Company**

Marketing was initially considered as an important tool for management will be not the only one, except that the managerial changes sought more than other disciplines, which is due to its flexibility in view of her multi disciplinary aspect.

The company is surrounded by a variety of factors highly scalable, which pushes to develop its own "sub-systems", i.e., vision and thus its spirit, its structure and therefore its content, style, and thus its procedures, its operating system and thus information (both internal and external), the reflection system and therefore its strategy, hierarchy and thus its expertise. The company operates in a contemporary managerial context again, for the performance and survival, thanks to economic models and marketing. This is called conditions excellence in business, as proposed by McKinsey as the "7S".

As concerns Y. THE Golvan, he offers a set of eight concepts

(Some of which are a strategic, other, operational) as the "MarkWare" which is a "cocktail" of concepts like marketing and management in the same time.

Vocation is one of the first company's forces to assert its vocation, it is sometimes called mission and defines the nature of the needs met by the offer, unlike the business which focuses on the product. It therefore requires that one takes the buyer's point of view (Luc Broyer & Noel Equilbey, 2000). Note that this is the global policy which defines the aptitude, the purpose and goal of the company. Marketing policy came up the global policy, and therefore from the vocation while providing a substantial number of choices.

In fact, in modern vision "market-oriented", establish the relationship between market orientation and business performance returns to discuss question of the purpose and identity of the company and hence the mission and business (Gilles Marion & collaborators). Two

concepts arise from the vocation of a company: the willingness of leaders and the long-term plan.

Planning consist of a strategic approach to examine the relationship between the dynamics of the company's environment and its various activities. The marketer must provide criteria to identify the diversity of activities and cut the company strategic areas (DAS) for which a specific strategy can be formulated (Gilles Marion & collaborators). Thus, the marketer contributes to the overall strategy of the company (corporate strategy) and business strategies (business strategy). The brand image is linked to the perception towards oneself or others, it is considered as subjective and includes several components such as the logo, colors, graphics etc.. A good image should be fair, positive and original. It greatly affects the performance and productivity and is called "good will" or goodwill, when it is the subject of a constituent stock of its business. The image is considered a very important management tool involving the development of institutional marketing.

Another good way to identify and then to differentiate themselves from the competition are: positioning consisting of what is due to the potential customer's mind (Catherine PARIS, 2001). This concept translates into expanded notions such as advertising positioning, brand, product, company, store and even politicians. The key is to find an empty slot corresponding to the expectations of consumers and is not threatened in the immediate rivals. It is a part of both the business strategy and the implementation of the marketing mix.

Differentiation suggests that the company chooses distinctive features (often built by the brand and communication) in order to compete effectively in the market. It is singling supply by any means (i.e. differentiation from the top) against competition front by the price, or takes the form of a "down differentiation" "on the basis of a lower relative price. As one of its main axes, the performance is widely due to a question of quality and cost.

Market needs require such concept, which identifies the market and the needs of, and to satisfy the entire market given the heterogeneity of customers, while imposing segmentation. It is a purely operational concept that neither the market nor needs are considered stable factors: the instability that characterizes determines the effectiveness of strategies based on their often short term.

The marketing mix is the combination of the "4P", and can achieve efficiency without balance and consistency. In addition to its compatibility with the resources of the company, it must have a distinctive character vis-à-vis the competition in order to satisfy the market and enable the achievement of profitability.

Profitability is sometimes seen as objective, sometimes as a performance indicator. It is, however, the financial stability of any business even if it takes several forms: commercial, economic, financial, social, etc. It refers to the concepts of profitability, efficiency and productivity. It is called global when it concerns any marketing activity. It is called economic activity or when it concerns the management of the company.

From the above, we note that the "MarkWare" cannot bear fruit without interacting with the "7S" and concepts related to managerial process. It is not enough (alone) to idealize the management within the company. Several interactions occur:

The style of planning and strategy lead to profitability, marketing mix and market needs.

Information system entails differentiation, strategy, intelligence, marketing effectiveness, , managerial performance, adaptation, intelligence & business intelligence, business and experience ..

The mind leads to economic performance, culture and managerial vision.

Structure leads to marketing strategy, marketing mind, the effectiveness of decision-making and control culture.

The staff leads the mind marketing and organizational performance.

### **Algerian Enterprise And Its Global Context**

The economic context of the Algerian company (yet traditional) has long been a highly volatile due to increased disturbance of the process of doing business in Algeria. This has resulted in serious consequences such as abundant experience, distance to market and the loss of performance.

Several changes have occurred in the economy such as globalization of markets and the information revolution, however, the company has not traditionally benefit, and, because of its host uncontrolled competition and its passivity front thereof. On the other hand, the acquisition of ICT is quite expensive to use it in fact (the long-term profitability is far from obvious in the Algerian entity, especially public one!). The fate of traditional and industrial sectors are not clear, the informal sector does not enjoy the location as an intermediary between both of them!

A considerable change marks our society: "post modernity" due to the plurality of values and style and the elimination of ideologies prevalent. Alas, in response to this development, the Algerian company has not demonstrated reactivity! Note that there is an important point for multinational companies, which otherwise would have encountered serious obstacles to activate in Algeria.

Moreover, the evolution of participation outstanding communication and information to socio-cultural is seen through many Algerian consumer loyalty to foreign media, yet participation rather negative company Algerian management policy loyalty of its audience.

The collapse of traditional values and the crisis of the link gave the idea of emigration to the Algerian youth and skills, which increasingly impoverished the socio-economic system of one of the most expensive resource that is the human resources.

The hyper choices the consumer knows besides his prejudices due to prior retention policy carefully developed and implemented by the foreign producer can only be at the expense of the local product and the national economy, moreover individualism in consumption experienced by the contemporary Algerian does not reconcile with rationality in the purchase!

Finally, the tendency to overuse harms necessarily the local economy as it does not concerned local goods and against this, there is almost no production.

This context considered quite relevant to the Algerian company forces it to confront the aggressive competition, the uncertainty of the environment, etc., And to ensure its stability and durability. It must therefore bring back to his managerial style by developing a number of skills such as anticipation, innovation, reaction, federation and communication & intelligence.

### **Evaluation Results Marketing-Management In The Company Of Algeria**

Through this part of the research, we will have to analyze the situation of three managerial Algerian public companies, policy activity called "A", "B", "C", and, by process: a typical evaluation of marketing effectiveness by taking the evaluation scale Kotler and Dubois, marketing, management while educating first questionnaire (I), then we proceed to the evaluation of managerial efficiency by taking a qualitative study and completing one second questionnaire (II).

Questionnaires I & II are designed on the basis of methodological objectives of commercial diagnosis and of methodology proposed by Christian Michon (diagnosed Business). Evaluation forms will then be used to develop the strategic matrix to finally provide explanations to the current situation in the studied companies.

### **Presentation of the evaluation results of marketing effectiveness**

It is a diagnostic analysis based initially on a study of the marketing function from the evaluation of its balance sheet to its brand and business internal control. In the second phase, we will endeavor to make a diagnosis from the perspectives: strategic, organizational,

methodological, and operational manager, in pursuance to method Christian Michon commercial diagnosis.

Elements of our sample are large firms belonging to different sectors namely:

- The company "A" is that of pharmaceuticals,
- The company "B" is for the energy,
- The Company "C" is that of services.

The first flaw to note in this sample is due to the vision and management philosophy and to the corporate culture. That affects management systems and evaluation, resource allocation, opening the business on the environment, the overall potential of the company and the performance in terms of marketing-management.

However, it is to be noted that the "MarkWare" is still adopted 50% for companies "A" and "B" and only 30% for Company "C", however the marketing effectiveness is assessed for all of these companies as low in view of the optical reigning :sale or production sales.

The management philosophy is more or less modern unclear materialized and this is due to the misinterpretation of the business and structure of the market, and thus its true position (we often think we are alone in the market, and yet ...), or the state of mind prevailing level of the hierarchy and structure, or marketing orientation, or the potential of the business proved too bad assessed so as to go towards a new sense of managerial vision.

We do not lose sight; however, considerable advantages enjoyed by these companies, namely, the reputation, experience and assistance of the State. These are the competitive advantages that are lacking alas

For the company "E", "MarkWare" seems to be partially (rather shyly) adopted, resulting then in a positive trend towards modern management, but remains insufficient because other key success factors lacking in their management. We emphasize this lack of spirit of creativity, research and innovation and denouncing the lack "of a marketing approach and ownership concern

For "A" and "B", however, we note that at least they are trying to adopt the approach itself but without integrating it into their managerial process: which distorts its appliance and requires the company to deviate sometimes vision, sometimes his vocation etc.

Indeed, disturbance, reforms, etc. unexplained changes block businesses orientations. The effects of instability long known by the Algerian company have views through the various contradictions that they know both their vision, philosophy and optics, as their activity, planning, action etc..

This is what explains the discrepancy between the calling and planning within the same company!

### **Results of the managerial performance evaluation**

Throughout what follows, we will take further analysis based primarily on the evaluation, in order to deduce the key concepts of success and competitiveness derived from our research, and at two levels, namely:

- The level of managerial performance, and through the criteria of organization, management, marketing management, technology and financial health, in order to study the coherence of "MarkWare" with strategic of the company;
- Globally and in referring to data collected in the previous step against key performance factors in business.

To do this, first summarize the results of managerial efficiency (due to strategic SWOT analysis):

- In relation to the adoption of the concepts of "McKinsey 7S"
- "A" to adopt almost all but in a very partial way;
- "B" is adopted in the information system as a whole,

"C" does not adopt any;

- In relation to the adoption of MarkWare:

"A" adopts four two concepts only in a very partially way

"B" adopts five concepts which part of in partially way

"C" adopts six concepts all of them in partially way

- Compared to the results of the SWOT:

"A" records 29 forces (most of which is due to its strengths and its balance of brand and trade) out of 11 weaknesses

"B" records 30 forces (most of which is due to its strengths and its trade balance

"C" records 19 forces (most of which is due to the balance of brand and commercial, single weakness is due to diagnostic methodology) out of 21 weaknesses;

An analysis of the multiple linear regression revealed that the management philosophy influences managerial efficiency in the foreground, which amounts to deduct the purely strategic mindset and managerial vision in any entity elsewhere!

### **Conclusion**

We found during the diagnostic analysis, in a vicious circle with the basics: the managerial process reinforced concepts as related to the organization (itself, its organization and balance), only vision of the company, and the evaluation of the performance thereof.

The "MarkWare" is not an end in itself; it is conditioned by all the factors governing the managerial process.

The mindset (coming up from culture) remains an essential element of said process, in addition to the managerial vision and its various optics.

From the perspective of better management changes already imposed in our business, a number of changes have to be considered, namely:

- Adjustments of organizational type;

- A vision of managerial style starting with a review of management procedures and standards already installed, or (for lack of), the imposition of the latter;

- An additional reflection about the process of strategic planning;

- A proficiency testing and performance assessment to plan training that is required-with-ICT;

- Adaptation to customer's individualism and even global society;

- Social inclusion to recover the Algerian consumer and / or to retain him;

- The marketing mix for successful market economy;

- Finally, the adoption of a degree of flexibility, both in his thinking, his action or his reaction.

Competitiveness managerial enhanced by development intercultural leaves no choice to the Algerian company to "get with it!"

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