

## MANAGEMENT PROMOTION FOOD EXPORTS - TERMS AND THEORETICAL REFLECTIONS

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### **Abstract**

*The main problem facing businesses today is not the scarcity of goods, but the scarcity of customers. Most entrepreneurs can produce many more goods than consumers are able to buy. This overcapacity is a result of each competitor desire to increase market share at a rate impossible and causes, in turn, extremely high. This has led to increased role in the promotion and marketing activities due to increased management attention on export promotion.*

*Key words:* export, management, management of promotion, promotion

### **INTRODUCTION**

Development of the country depends on the ability to develop those areas of economic activity in the Republic of Moldova has or may have great potential for export. Moldova's economic stability and reducing it goes deep crisis which now can only be guaranteed by the existence of an effective agribusiness sector which can ensure competitiveness of local products in all markets and would therefore increase the number of labor in the production attracted and that reducing unemployment, now that would influence the final to lift the country's prosperity.

The main problem facing businesses is the scarcity of goods, but the scarcity of customers. Most entrepreneurs can produce far more goods than consumers are able to buy. This overcapacity is a result of each competitor desire to increase market share at a rate impossible and causes, in turn, extremely high. In such circumstances a special role lies export promotion management.

### **MATERIALS AND METHODS**

Material as a basis for the research is the analysis of information obtained from specialized monographs. The main methods

used in the research were: monographic method, the method of analysis and synthesis, deduction.

### **RESULTS AND DISCUSSIONS**

Promotion, as one of the areas most empirical marketing action is expressed in "all the activities and media and attract potential buyers to the point of sale, to meet the needs and desires and hence increase economic efficiency of the enterprise production "[4].

Amplification coupon phenomenon is explained in "accelerating competition, crowding the market, supplying consumers from the excessive number of advertising communication, rendering the products and brands, the preference for short-term results, demands new forms of distribution, etc." [2], which makes product promotion, to become a major requirement, an essential factor of any sales process. As a form of communication used to inform, persuade or remind the public about the goods, image, community involvement of an organization, promotion is often decisive role in achieving the objectives. Modern market economy, no matter that the products are quality. If potential customers do not know it, is unlikely to sell. Traditionally, the promotion was intended to attract new customers. It is now important to remind

customers the benefits of their products, from their competitors and to convince this, guiding them to satisfy rational needs, buying your products. The modern promotion will stimulate, develop and guide the consumer needs.

Promote, as an expression of actions, means and methods used in orientation, information, and belief attract customers to buy the product in order to meet their needs and ensure profitability of the enterprise production is a necessity for strategic and tactical objectives of the company, for revival product life cycle, as well as to annihilate the effects of actions that lead to decreased sales.

In the literature, we find a double definition of the promotion that explains Lasségne P. [3]. This promotion is broadly synonymous with "commercial dynamics" and designates all the research that may lead to increased sales. Anglo-Saxon term "promotion" means the general purpose of promoting, which is one of the four components of the marketing mix (product, price, place, promotion). In the narrow sense, promoting the expression of specific techniques whose common features is advertising.

The essence of these characters are found in the work of Y. Castagnoli [1], which defines promotion as "a marketing practice that is adding temporary additional value product or service that offers a specific advantage buyers targeted by a targeted and measurable."

Promotion aims to overcome a sales level by capturing the attention and attract potential buyers, information, belief, building and maintaining client.

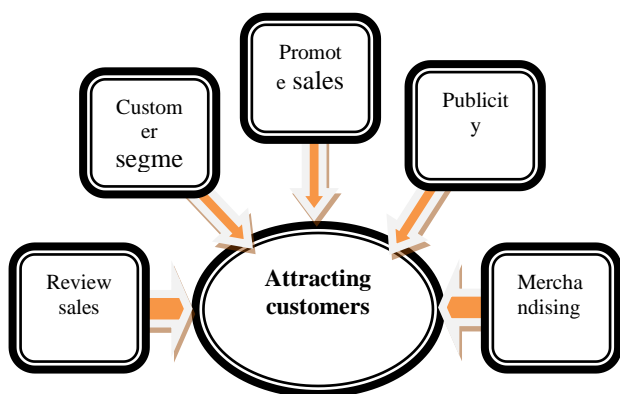


Fig. 1. Factors influencing customer acquisition  
 Source: developed by the author

In the figure below we highlight the main factors that influence positively attract potential customers.

Course important for any enterprise is not only attracting customers but also their maintenance. Retaining clients, in our opinion, may be performed by a number of factors.

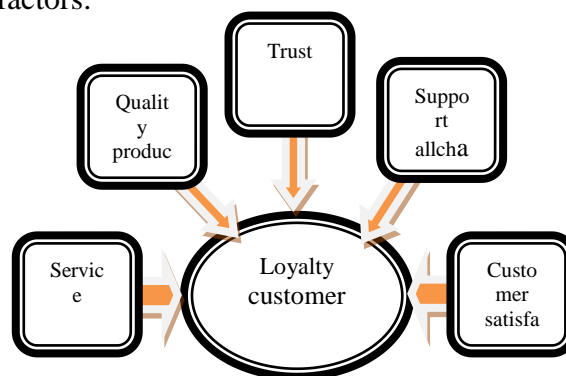


Fig. 2. Factors influencing customer loyalty  
 Source: developed by the author

From the figures above we can conclude that all its activities is generally oriented customers. Employees are aware that business success depends on how customer requirements are determined and understood. In order to meet current and potential customers, taking into account the interests of all parties involved in the deal.

Customer orientation is achieved by involving all departments within companies in general and marketing in particular, gives the service. Needs and consumer expectations are measured and converted into requirements communicated officers involved in achievement continue to be met by them.

Promotion activity is carried out in two main directions:

1. Promoting products - by all means and methods used in orientation, informing potential customers about new products or improved.
2. Sales promotion - the set of actions and means to capture the attention of potential comparators in order to increase sales.

Promotion is considered active when the manufacturer is the one who assumes the responsibility of promoting, directly exercised by final consumers in order to create and

stimulate preference for its product. Promote passive intermediary assumes the responsibilities of the methods and techniques we use in promotion.

Manager, with responsibilities in the field of advertising, is the one who will decide the forms, methods and techniques used, when and to what extent. He is able to define each time promotional measures to be used to achieve goals.

Lately, there is emphasis on promoting products concerns. This resulted in increasing the role of promotion in marketing activities and therefore to increased management attention to export promotion.

Among the general objectives of management to promote the export of agricultural products, the author considers the following:

1. Selecting managers, which will handle the promotion and organization of their work;
2. Determine potential markets;
3. Delimitation management methods used in the promotion of production;
4. Management of change and regulating the flow of the application;
5. Develop a strategy for customer loyalty;
6. Setting the main methods and ways to promote agricultural production;
7. Permanent monitoring of the management process to promote food exports.

The author's vision of promoting food exports management is an integrated process that empowered officials in the field, taking the basics of marketing in order to identify target markets through various promotional measures and providing superior value for customers and achieve a maximum profit.

Management of export promotion of agricultural products is not a short-term selling effort, but an effort to long-term investment.

For a company to remain on the market and to overcome competitors must move from a philosophy based on the product and sales philosophy based on a client. The key issue is to better meet customer needs. We must not believe that attracting customers is the exclusive responsibility of the marketing department as marketing is only one factor in attracting and maintaining customers. It is

obvious that even the best marketing department can not sell poor quality products or who needs one.

Customers choose a product or service based on the possibilities of knowledge, mobility, income and expectations. Customer evaluates the benefits and costs of an offer compare them with others and where the offer falls short of the expected value desideratum will buy. The customer will appreciate the value provided by the difference between the total value and total cost to him of it. Customer perceived value is the difference between benefits and costs in the form of value. The total value for the customer is all the economic, functional and psychological that client expects an offer expressed as value.

The total cost for the customer is the sum of all costs that are expected to bear customer. Customers will buy from the organization that they think provides the highest value provided by. The value provided to the customer can be schematically represented as follows:

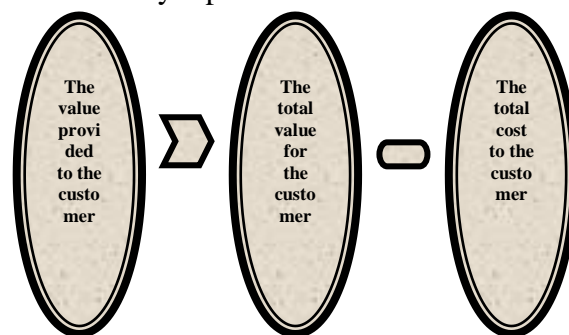


Fig. 3. The value provided to the customer's vision. Source: developed by the author

In turn, the total amount for the customer is composed of a set of items. The main product is considered that the value of the value of services, the personnel, the picture, as is shown in Fig. 4. So as it turns attract customer attention to everything from the product and to the fact it is served and is the company's image data. So in the process of market penetration, any organization should first draw attention to product quality and image, but not the quantity.

A decisive factor in the process of purchasing, customer is the cost of the product. The cost, if the customer refers not only price, but other elements as represented in Figure 5. In

addition to the monetary value to be a bear, customer attention and the time you need to use it during the procurement and use of this product.

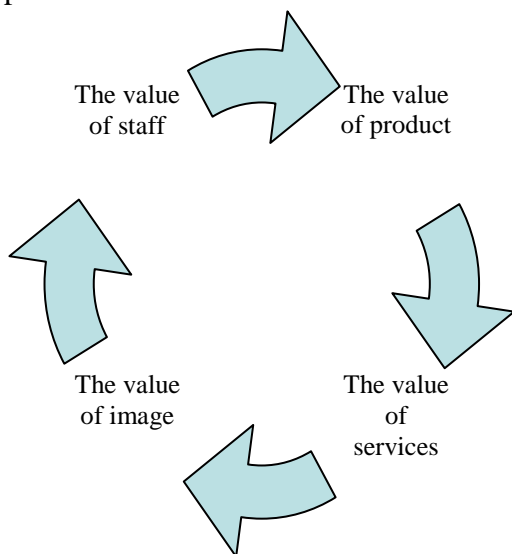


Fig. 4. Structure of total value for the customer. Source: developed by the author

Actual physical energy that will support and the pleasure will be the psychological point of view.

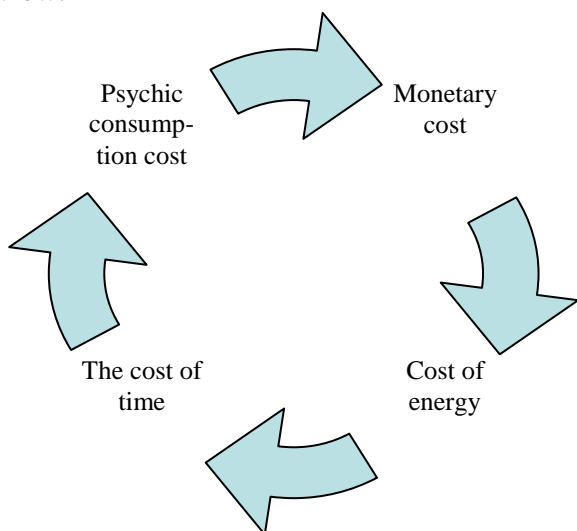


Fig. 5. The structure of total cost to the customer. Source: developed by the author

Management process to promote food exports, by author, should include the following: determining business mission, analyzing markets, setting goals market or target markets, target market selection strategy, development and implementation arrangements for the promotion of food, implementation of the strategy to promote agricultural production, promotion and evaluation efforts necessary changes.

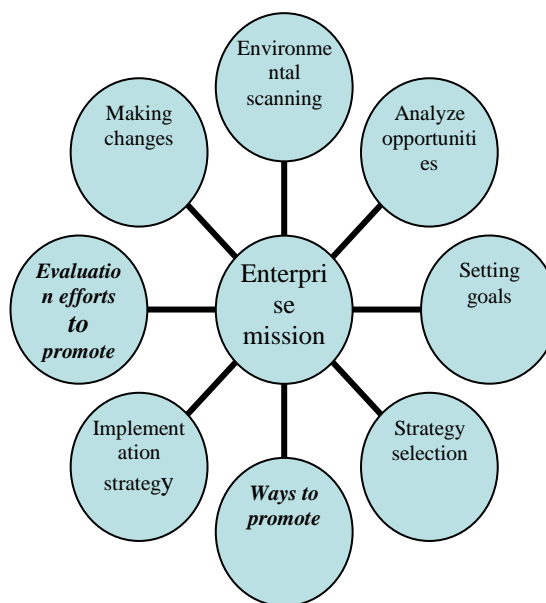


Fig. 6. The stages of the management of export promotion

The mission of the company is its long-term vision. It establishes limits within which the objectives, strategies and actions require developed. The mission answers the question: Why have the time and where we want to go? Environmental scanning involves the collection and interpretation of information about forces, events and relationships that affect the future poor enterprise. When performing environmental scanning process is necessary to pay attention to such factors as:

1. Social factors such as social values of potential customers on food products;
2. Demographic factors such as age, location etc. of different groups of customers.;
3. Economic factors such as income, inflation, recession etc.;
4. Technological factors such as advanced communication techniques, transportation and so on;
5. Political and legal factors, such as changes in legislation, regulations to carry out the export of food products, etc.;
6. Competitive factors from both national companies and international ones.

Market opportunity analysis is a description and estimate of market size and potential for export of agricultural products for market segments of interest to the firm and competition assessment on those market segments.

The next time, in making the promotion of export of agricultural products, is setting goals. Here it is envisaged that the ultimate goal of the company and based on this setting targets. If the purpose of the company is to launch, the most attention is given to how to attack it. If the business is already on the market and wants to keep time, the goals will differ slightly. But, at any time, the company is obliged, if it is to be successful, to pay attention to such factors as: quality and price. Selecting a specific market strategy also is an important element in the management process to promote food exports. There are three general strategies target market:

- Undifferentiated strategy (using the same methods of promotion);
- Strategy focused on a single market segment;
- Multi segment strategy (addressing multiple market segments with different marketing mixes).

Develop and implement methods to promote the export of agricultural products involves determining what you want to achieve through promotional activities. Promotion and development of agricultural production provides two main purposes, on the one hand the quantitative and the qualitative second. Draft measures to promote exports of agricultural products may include the following areas:

- Development of international economic relations of the Republic of Moldova in terms of its impact in promoting exports of food production.
- Consideration of strategic directions for promoting exports of food production.
- Addressing key recommended effective tools to promote exports.
- The rationale of the opening of representative enterprises in Moldova in CIS and EU economic effect evaluation.
- Factoring - an effective international instrument in managing external debt and food production towards export promotion.

**Implementation of the strategy.** Phase of management to promote the export of agricultural products which are translated into action plans implemented and to ensure that

these actions are executed in a way that objectives will be achieved.

By **evaluating promotional efforts** are expected insofar as the objectives were met during a given period. Make necessary changes if necessary apply for amendment or correction of process management to promote food exports.

Overall was introduced to the essence of the role and objectives of management of export promotion. Next we try to separate the functions of management are promoting the export of agricultural products, or should they. Treatment problem management functions in the literature to this day still remains unsolved and is one of the most complicated in management theory and is now hard to come across a unique theory on the classification of positions.

The ongoing management of each cycle is carried out by the logical operations that are systematized in stages, and is content management functions. Based on the analysis above, we can determine the following general functions of management to promote the export of agricultural products:

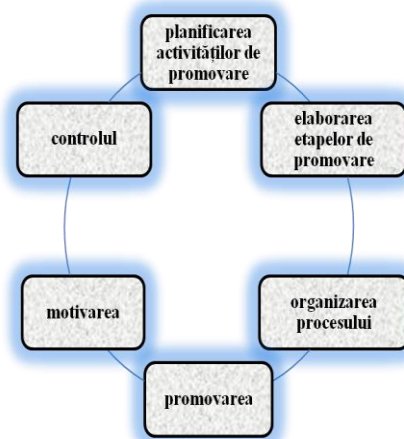


Fig. 7. Management functions to promote food exports. Source: developed by the author

The planning of activities to promote the export of agricultural products the company deals with setting goals. Determine the final exporting company wants you to and achieve. At this stage we must take into account the peculiarities of agricultural production. Develop steps to promote exports of agricultural products provides stipulation order to perform specific promotion measures.

The organization of export promotion process involves performing procedures to future research markets. Here we establish who and what will actually respond. Promotion of export of agricultural products provides practical application of the measures in previous functions. So it is considering participation in various fairs, round tables. The motivation is considering methods and procedures to motivate staff employed in carrying out the export process and potential customers. Motivating customers purchase food products intended to achieve can be done by analyzing the value systems of clients and their needs. And finally control function provides verification of planned spending to promote food exports. In case if there are any deviations when necessary corrections shall be made only in the future.

## CONCLUSIONS

- The transition from totalitarian control system to a new system based on the principles of democracy and free market, boosting production and market development in many ways is based promotional activity.
- Importance increases with the policy of promoting the development of production and trade of goods on the world market, becoming the current economy, an essential and indispensable feature of foreign economic activity. This has led to increased attention on food exports promotion management.
- Maintaining market businesses largely depend on the ability of customer loyalty.
- Export promotion management process is composed of several elements. Compliance with these elements in the planning of activities to promote the export of agricultural products positively influences the development of promotional activity.
- Making management functions proposed export promotion of agricultural products will have a positive influence on exports of agricultural products.

## ACKNOWLEDGEMENTS

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