

A Study on the Efficiency of Marketing Communications in Business-To-Business Markets

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Abstract

The consumer market has received a lot of attention in marketing communications research, with the business-to-business sector receiving minimal attention up until this point. The creation and evaluation of a model of marketing communication efficacy in the business-to-business market are the main topics of this essay. The model, which incorporates aspects of marketing communication objectives, bidirectional communications, and communications channels, is tested to examine the impact economic research of these antecedent variables on marketing communications effectiveness and organizational performance, building on prior research from the marketing communications and business-to-business marketing literature. The core idea of marketing communication effectiveness is that it has a positive impact on organizational performance. It is predicated on the idea that there are factors that can positively influence how successful marketing communications are. Managerial implications are examined, and ideas for more research are offered.

Keywords: Marketing communication effectiveness, business-to-business markets, marketing communication objectives, organizational performance, structural equation modeling.

1.0. Introduction:

The new paradigm for business-to-business marketing communication efficacy is the main topic of this article. Regardless of the company's financial situation, marketing communication programs may be developed. However, the secret to a successful program's implementation is to start the marketing communication program by including measurement and analysis. A number of theoretical and empirical results that have been published in journals that have studied the business-to-business market have contributed to the tremendous advancement of business-to-business marketing in recent years. Several writers have discussed the function and significance of marketing communications in the industrial markets. Nevertheless, marketing communication in business-to-business marketplaces outweighs other potentially worthwhile study opportunities, particularly in the area of empirical research. Measuring the contribution of marketing communication effectiveness to performance is necessary and highly appreciated in light of the growing need for accountability of large marketing communication investment. However, it is said that integrated marketing communications still lack a standardized method for evaluating its efficacy, making it difficult, if not impossible, to measure the influence of marketing communications on organizational performance.

Messages and associated media used to communicate with a market are referred to as marketing communications. The "promotion" component of the "marketing mix" or the "four Ps"—price, location,

promotion, and product—is marketing communications. It may also refer to a company's or an individual's plan for using multiple forms of communication to connect with their target market.

Marketing communications refer to the messages and related media utilized to reach a market. Marketing communications is the "promotion" part of the "marketing mix" or the "four Ps" (price, place, promotion, and product). It could also refer to a strategy that a business or an individual has developed for reaching out to their target audience through a variety of media. This research makes an effort to explain the impact of many aspects on the efficacy of marketing communication and, ultimately, on organizational performance in light of this complexity. Our hypothesis is that in Slovenian businesses, efficient marketing communications lead to positive organizational performance. In this context, we investigate the efficacy of marketing communications and how it may affect the organizational performance of certain companies. .

In light of this complexity, the research tries to explain how a variety of factors affect the effectiveness of marketing communication and, ultimately, organizational success. Our hypothesis is that effective marketing communications in Slovenian enterprises result in improved organizational performance. In this context, we examine the effectiveness of marketing communications and how it could influence specific organizations' organizational performance.

A company should have a business model that measures how the impact of marketing communications on what its consumers know, believe, and feel, and ultimately, how they behave, is important. This study also makes a contribution by testing the marketing communications efficacy model inside a homological network of antecedents and outcomes. Examining the relationship between marketing communication effectiveness and performance measures is a novel addition. We use results like market performance when evaluating the relationship between marketing communication effectiveness. This approach offers managers an a priori foundation for concentrating their efforts on the causes of overall marketing communications effectiveness, which has a far greater impact on organizational performance. To create our model, we first give a review of the literature, drawing on previous studies, the marketing communications effectiveness theory, the business-to-business market theory, and other theories. Our theories are formed in the second step.

2.0. Conceptualization of marketing communication effectiveness and its related constructs:

Our view of the success of marketing communications as a whole is heavily influenced by the interactions that take place among its many elements. Numerous writers (Schultz, Patti, 2009, 81; Evans, Fill, 2000, 391; Rust et al., 2004, 77; Smith, Gopalakrishna, Chatterjee, 2006, 564; Zabkar, 2007, 83) have looked at the efficacy of marketing communications. It is vital to take a viewpoint for defining genuine marketing communication effectiveness and its related key ideas in order to create additional exploration in this research field. Next, a measuring scale that can be used to evaluate these suggested ideas must be found or, failing that, developed. Marketing communication objectives, bidirectional communication, communication channels, marketing communications effectiveness, and organizational performance were conceptualized for the purpose of applying structural equation modeling (SEM) in the context of marketing communications effectiveness in a business-to-business context. We also emphasized the varied conceptualization strategies used for these ideas and noted the connections

between them.

3.0. Marketing communication objectives

Effectiveness of marketing communications will increase with properly designed objectives. This premise is based on the coordinating behavior of individuals and groups within an organization with a view to attaining the defined objectives, as described by Fisher, Maltz, and Jaworski (1997, 56–57). It is obvious from the aims of the integrated approach. The strategy also emphasizes group collaboration and communication. Effective marketing communications are the outcome of coordinated operation between an organization's operations and its selected marketing communication strategy, which is derived from organizational business strategy and strategic goals (Kliatchko, 2009, 177; Reid, 2003, 233). These relationships lead to the conclusion that developing marketing communication objectives and coordinating them with a solid company strategy can result in a marketing communication plan that is consistent and effective.

A marketing communication plan should be in accordance with the organization's goal, vision, and strategy (Fill, 1999, 604) as well as with the market strategy that has been selected (Duncan, Moriarty, 1998, 2). The findings of various research show how an organization's purpose has a favorable influence on its financial success. All communication messages must be consistent for marketing communications to be successful in order to foster trust and coherence across target audiences' perspectives. Delivering and receiving communications on a platform of strategic consistency is the key to managing the point of perception (Kitchen, Schultz, 2003, 82). The necessary preconditions for the optimum inter functional coordination, in line with market orientation, are information exchange across departments, the participation of all departments in the development of business plans and strategies, and contacts between marketing staff and other departments. As a result, we surmise that: Marketing communication goals are positively correlated with effective marketing communications.

4.0. Bidirectional communication:

The importance of high engagement in the marketing message and its effect on alterations in consumer attitudes toward certain brands has been stressed in several research. The ability of communication to process and the reason for processing the chosen communication message are both emphasized by the elaboration probability model for processing that information. The communication messages may vary in terms of both content (which can be informational or emotional in character) and design and creative communication approach in order to elicit certain reactions from the client (Brenngman, Geuens, De Pelsmacker, 2001, 231). Persuasion, which largely involves a one-way communication method, has historically been used to describe IMC (Spotts et al., 1998, 210). However, in marketing relationships, communication may also be used for informing, listening, and responding—roles that may call for engagement and two-way communication forms (Finne, Groos, 2009, 180). The ability of communication to manage two-way communication demonstrates the growing significance of communication in today's industry. Any communication model should include feedback, which lets the sender know the recipient's reaction (Duncan, Moriarty, 1998, 4). Clarity and quick, accurate, and timely information are also required in marketing communications so that judgments may be made. When the customer can accurately comprehend the initial message as it was intended to be given, marketing communication is effective. Effective marketing communications are produced by this bidirectional

communication. The efficiency of marketing communications is therefore anticipated to be positively correlated with bidirectional communication. As a result, we assume that: H2: Effective marketing communication is favorably correlated with bidirectional communication.

5.0. Communication channels:

The communication dimensions of frequency and manner of communication serve as a representation of the marketing communication channel, which sees human communication as a transmission process in which a message flows through a channel from a sender to a receiver. The quantity of contact that takes place between a company and its audience is referred to as communication frequency (Schultz, Patti, 2009, 81–82). The channel, official or informal, via which such information is communicated to target groups is referred to as the communication mode. According to earlier studies, people are more likely to believe information that is presented in a formal setting (Mohr & Sohi, 1995, 393). The efficacy of marketing communications is seen to be positively correlated with the channels used for such communications. H3: Marketing communication channels positively correlate with marketing communication efficacy is our resulting hypothesis.

A communication channel or channel in the context of telecommunications and computer networking can be either a logical link across a multiplexed media, like a radio channel, or a physical transmission means like a cable. An information signal, such as a digital bit stream, is transmitted from one or more senders (also known as transmitters) to one or more receivers via a channel. A channel's ability to transfer data is typically expressed in terms of its bandwidth (measured in Hz) or data rate (measured in bits per second).

Data communication between two locations requires some kind of conduit or medium. Both cable (twisted-pair wire, cable, and fiber-optic cable) and broadcast (microwave, satellite, radio, and infrared) are used in these so-called communication channels. Physical wires or cables are used in cable or wire line media to transport data and information. Copper is used to make coaxial cables and twisted-pair wire, whereas glass is used to make fiber-optic cable.

6.0. Marketing communication effectiveness:

Implementing IMC (Integrated Marketing Communication) may be highly associated to improved marketing results in terms of sales, market share, and profitability for a firm, according to a research by Low (2000, 31). Researchers have typically used measures of awareness, memory, and recognition to understand the impact of marketing messages.

Through their theoretical and empirical contributions, a number of researchers have described the effect of marketing communications on organizational performance, particularly in the context of fostering better relationships between the organization and its audience, such as its clients (McGoon, 1998, 15; Low, 2000, 36). The degree of marketing communication efficacy and its effect on overall organizational performance may be used to explain this relationship (Kitchen, Schultz, 2009, 201; Young, Aitken, 2007, 53). Reid (2005, 41-47) presents a study methodology that might be used to measure and assess the application of IMC. According to the findings of his study, IMC's performance has a big and noticeable favorable influence on market performance. Although this is a crucial field of

research, few empirical studies have found a connection between marketing communication and organizational performance (Cornelissen, Lock, 2000, 7–15; Low, 2000, 27–39).

A company with marketing communication skills can design effective communication campaigns and guarantee sustained market performance. Possessing great marketing communication skills has a favorable effect on an organization's performance. The efficiency of a company's marketing communications can also influence its success. Numerous scholars in this field emphasize the beneficial effects of marketing communications on business performance. Therefore, our hypothesis is that effective marketing communications positively correlate with organizational success.

Messages and associated media used to communicate with a market are referred to as marketing communications. The "promotion" component of the "marketing mix" or the "four Ps"—price, location, promotion, and product—is marketing communications. It may also refer to a company's or an individual's plan for using multiple forms of communication to connect with their target market. Any advertising or marketing campaign uses the [sender-encoding-transmission device-decoding-receiver] communication process. The second phase in the communication process is encoding the message, which takes a creative concept and turns it into attention-grabbing advertising created for various media (television, radio, magazines, and others). Audiences get messages via a variety of transmissions. When a channel or medium transmits the message, the marketing communication process enters its third stage. When the message is received by one or more of the receiver's senses, decoding takes place. TV advertisements are heard and seen by consumers. A coupon offer is handled and reviewed by additional customers.

Barrier is one impediment that hinders the effectiveness and efficiency of marketing messaging. Anything that skews or obstructs a message is a barrier. Any level of the communication process might experience it. Clutter is the most prevalent type of noise that interferes with marketing communication. In-product communication (also known as in-product marketing), which distributes marketing material directly to a user's internet-connected device or software, is another route for direct digital marketing.

Although the segmentation and distribution are more focused, in-product marketing material frequently resembles that of email marketing campaigns. Email is frequently overloaded and abused since it has become a staple in the arsenal of digital marketing tools, which results in significantly reduced open rates, engagement rates, click-through rates (CTR), and conversion rates. A increasing number of consumer goods producers are now able to use this channel of marketing communications to complement other digital marketing channels thanks to the proliferation of internet-connected gadgets.

7.0. Organizational performance:

We used some of the subjective indicators more often used in other studies, such as return on investment and sales, to assess the organizational performance of the respondents in this study. Respondents were asked to describe how the aforementioned factors have changed recently in relation to a company's goals. Both subjective and objective indicators may be used to evaluate how well an organization is performing. The subjective evaluation of a company's performance in contrast to its rivals, with projected outcomes compared to those for the prior period, etc., forms the basis of subjective indicators.

Indicators of objective performance are based on information from a company's financial accounts..

It has been demonstrated that there are relationships between subjective and objective measures of company success by Dess and Robinson (1984, 265) and Hansen and Wenerfelt (1989, 399). Market success is often correlated with marketing communication expenditures for factors like sales and market share. Effective marketing communications may affect a company's market share and revenues, which can affect its competitive market position.. Consider financial effect to be the most important indicator of success for any marketing communication activity, even though increasing sales and market share are necessary for any such endeavor. It is possible to assess the financial gains from marketing communication success in a number of ways. Traditional methods for comparing returns to the costs incurred to get such returns include return on investment (ROI). An rise in revenues is necessary for financial performance.

8.0. Conclusion and implications:

The business-to-business marketing communication model represents a fresh approach to marketing research. The fundamental idea behind marketing communication effectiveness is the presumption that there are several factors that might enhance marketing communication effectiveness. We wanted to highlight that the primary topic of our research is currently understudied since it serves as the foundation for future empirical studies in this area. However, while discussing marketing communication for business-to-business marketplaces, we came to the conclusion that the field is understudied both conceptually and empirically (Wickham, Hall, 2006, 100; Garber, Dotson, 2002, 1–17). This is because there is a dearth of empirical data demonstrating the value of marketing communication on these business-to-business markets, which represents a conceptual model that has not yet been able to demonstrate the substantial contribution to the field that marketing communication on business-to-business markets can make. Studying the field of marketing communication efficacy will also be a significant theoretical contribution. As a result, we came to the conclusion that the objectives of marketing communication do have a significant impact on the efficacy of marketing communication and best explain success. Additionally, we discovered that we could adequately describe how bidirectional communication enhances marketing communication efficacy.

It was established that the association between successful marketing communication and communication channels is beneficial. Confirmation of the beneficial association between marketing communication effectiveness and organizational performance would be a further contribution. Further research on the effectiveness of marketing communication as a central concept of the antecedents and consequences in a model for marketing communication effectiveness on business-to-business markets would constitute another significant theoretical contribution to the field. As a response to the request made by marketing communication academics, this publication adds to the body of literature by creating a structural equation model framework. This call recommended the use of more exploratory research to more fully operationalize the ideas of organizational performance and marketing communication effectiveness.

The possibility that organizations may actually measure the effectiveness of marketing communication in terms of increased response to increased demand, sales, and increased trust of target groups is a significant contribution to management that not only results in better performance of marketing

communication. It goes without saying that using measurement tools is essential to improving organizational performance and increasing marketing communication effectiveness. Organizations that operate in business-to-business marketplaces have potential for higher success since it is possible to measure the efficacy of marketing communication. The literature is replete with demands for further empirical study in the area of marketing communication in business-to-business marketplaces, therefore this contribution is significant. A modest first step in that direction would be to design and test the basic model presented here.

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