

Marketing planning in microfinance institutions in Kosovo

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Abstract:

Marketing management is a process of analysis, planning, implementation and control designed to meet the needs of customers by providing value to the consumer market. Marketing planning objectives are varied. Among the most important of which are: ensure existence stable market, increasing the volume of sales in existing markets and in those potential penetration into new markets, increase the self-image institutional affirmation of products company, increased demand primary selective, achieving and maintaining customer loyalty and others.

Positioning strategy shows how the company will position itself about the target market against its main competitors. The strategy of developing new products is essential for the company which ensures that continue the stable market. The key objective is maximum profit planning. Profit realized by meeting the needs and requirements of customers in solid and sustained way. As marketing plan must include both long-term goals and strategies for achieving these goals, and also for obtaining short-term tactics and strategies, it is important that the development of this plan include information from all employees within the organization. Defining marketing strategies of means to create action plans, analyzing the market and the advantages and weaknesses, will make possible the realization of the objectives set for the generic microfinance institutions. Decisions need to be taken must be translated into objectives, so in a correct and numerical definition of what is to be achieved.

Key words: marketing planning, supply, demand, customers, profitability.

INTRODUCTION

Marketing planning defining possible directions of real marketing activities, to survive and develop microfinance institutions, while fulfill customer requirements in the market and made profits. It defines marketing planning activity, and reduces the risk of the enterprise. It causes an increased ability of the institution to face the greatest risk that we might face.

Planning of marketing activities is one of the stages of marketing management. Planning is a dynamic process that provides guidance and orientation towards market activities. Active activities can make a difference in the market, and consumer behavior. Activities planned passively suit market prestige, marketing planning character planning integration with all other microfinance institutions. There are many definitions of marketing, eg American Marketing Organization defines marketing as an organizational function and combination of processes for creating, communicating and delivering value to customers and for managing relationships with customers, in order to benefit the organization and shareholders.¹

Planning is the most efficient way of preparing for the future of microfinance institutions.

Planning has foothold qualitative fulfillment of customer needs, the realization of profit enterprise and obligations to the state and society.

Planning includes shares duties with which the company operates, and holders of activities, responsibilities, strategies, costs, and other terms. Marketing planning at any time is an integral part of the business policy of the

¹ Kotler & Keller, 2006. Marketing Management. 12th ed. New Jersey, USA: Pearson Education, fq. 6.

microfinance institutions. There are different categorizations of marketing planning by a factor of time: long-term planning, medium-term planning, short-term planning.

By functions: product plan, plan research and development, sales operational plan, economic propaganda plan, distribution plan, the plan of market research, marketing research plan.

MARKETING PLANNING OBJECTIVES

Marketing planning objectives arising from the need to undertake to ensure the existence and future. Marketing planning objectives are varied. Among the most important of which are: ensure existence stable market, increasing the volume of sales in existing markets and in those potential penetration into new markets, increase the self-image institutional affirmation of brand products and enterprise, increased demand primary selective, to achieve and maintain customer loyalty and others. Kotler & Keller, besides recommending a more detailed breakdown, explaining that marketing based on building and maintaining relationships with customers is part of a broader concept - marketing holistic or comprehensive. Marketing has evolved with the development of enterprises and the economy as a whole.²

In terms of time, planning objectives are: primary, secondary, third hand. Marketing planning hierarchy defined marketing objectives. It is important real choice of targets, consistent.

The profitability of marketing activities is the basis for the planning of each period. Marketing planning, the buttress with other enterprise planning, synchronization features activities in terms of time, as is the adaptability of the enterprise opportunities for market needs. The key objective is

² V Kotler & Keller, 2006. Marketing Management. 12th ed. New Jersey, USA: Pearson Education, fq. 15-18

maximum profit planning. Profit realized by meeting the needs and requirements of customers in solid and sustained way.

MARKETING STRATEGY

The strategy is the concept of business, the focus of which are needs, and efforts to fulfill their integral. It is an integral part of the overall strategy of the company.

The marketing strategy is the versatility with which meet the needs and demands of consumers (individuals, groups, organizations). Besides strategy, tactics is well known which a function of strategy is. If we want to know what our job, then we should start with the mission ... There is only one right definition of the mission of the enterprise: customer satisfaction. She thinks that the company offered is not of primary importance-especially not for its future and success. Crucial is what the consumer thinks or what to buy the presents value-this is what determines your enterprise, which offered it and whether it will prosper.³

Strategy formed through several stages, which comprise a whole process. Stages of the strategy: information gathering, analysis and definition of objectives and policies, decisions and their implementation.

The collection of information is done by the relevant environment (economic, legal, political, cultural, and others) are determined through analysis, alternatives and risks, objectives and policies. At the end of the realization of the strategy ranks. Also, the process of strategy can be operationalized in two distinct phases: selection of the group market, the definition of the marketing mix to suit market offers selected.

³ Drucker, P.: The Practice of Management, Harper & Row, New York, 1954, citat në faqën 37 të librit Evans, J.R.& Berman, B,: Marketing, New York, 1987.

DEFINITION OF MARKETING STRATEGIES

Defining marketing strategies of means to create action plans, analyzing the market and strengths and weaknesses, will make possible the realization of the objectives set for the generic microfinance institutions. It is, in general lines, the optimization of resources to achieve the best results, given that the market trends, the behavior of competitors and the competitive positioning of the company significantly compel possible decisions.

Decisions need to be taken must be translated into objectives, so in a correct and numerical definition of what is to be achieved. Marketing is the process of planning and implementing the concepts of price, promotion and distribution of ideas, goods and services in order to create exchange that meets the needs of individuals and organizations.⁴

Achievement of the objectives of microfinance institutions requires actions that need to be planned and which set a fixed budget. Finally, outcomes and costs of the action plan should be reviewed periodically.

Daily actions will obviously require changes to respond to the needs of the contingent, and in fact the action plans provide for controls, in order to make the necessary adjustments in order not to deviate from the objectives which have been set as a goal to be achieved.

MARKETING STRATEGIC PLAN

Marketing planning operates on two levels: strategic and operational.

Marketing strategic plan defines, given the constraints imposed by the "mission" given by compliance stated in the business plan, the way it should be moved to politics trade in the coming years, while the operational plan

⁴ American Marketing Association, Marketing News, March 1, 1985.

has as its objective the achievement of concrete objectives year after year, the objectives should be specific and measurable and in line with the strategies defined. Marketing is a social process and management through which individuals and groups benefit from it what they need and what they want through the creation, delivery and exchange of valuable products with others.⁵

In the strategic plan it can be shown in general which markets are chosen as potential markets, product lines which should expand and which should be reduced, which customer segments will be increased, which should be dealt distribution channels etc.

The main instruments of strategic planning and analysis S.W.O.T. It decodes abbreviation strengths, weaknesses, namely the weak points of the enterprise as compared to the competition, and the opportunities and threats, thus favorable performance or unfavorable to the evolution of the market.

In reality originally analyzed market performance, then the state of the microfinance institutions in relation to the anticipated performance. Specifically, it is about performing an analysis of the competitive situation by identifying changes and trends, and assess whether these changes present opportunities or threats for the company, and the compilation of the best strategy to be ready to manage that situation.

Strategic analysis arises from decisions which are used to "experiment" policy, financial and commercial management of the company and of course for the coming years.

Of course, given that the external situation constantly undergoing changes and strategic choices must be verified and developed, and seeing the obvious impact that a shift towards strategic orientation, changed only after some reflection.

⁵ Kotler. Ph. Marketing Management, The Millenium Edition, Prentice Hall International, Inc, New Jersey, USA

OPERATIONAL PLANNING

Operational planning, as need arises microfinance institution which year after year should have specific objectives, specific, measurable, in accordance with defined strategies. Normally, when we talk about a "marketing plan" means the operating plan or annual plan. Operative marketing plan aims to optimize the volume of sales, introducing specific markets or launch new products on the market, competitor's opposition to the "dangerous" or improving distribution, but it is always within the microfinance institution's annual budget.

Operating managers feel better with this type of planning, out with concrete, technical and verifiable results carrier. The term "concept of marketing" summed up the philosophy business enterprise, institution or individual that characterizes concentration, or focus on the customer, expressed through the effort of permanent and harmonious whole enterprise in the process of fulfilling the needs and desires of consumers and its objectives of the enterprise.⁶

Operational management if not based on a solid strategy threatens to "swim without water", taking advantage of opportunities that only occasionally appear even though they may be conflicting with the positioning of the company and its competitive advantages.

As always, the general rules must take into account the variability of infinite truth.

However it comes to special occasions; in the majority of companies planning is necessary in order to achieve the objectives and achieving the desired results efficiently, although the unpredictability or poor transparency of markets often used as an alibi if the drafting of a plan seen as an activity or commitment too big or too complex technically.

⁶ Lišanin, M.T.: Bankarski marketing, Informator, Zagreb, 1997, fajja 8.

PRODUCT / SERVICE

If the marketing literature and in the economy in general, when referring to what microfinance institutions offer in the market for the product not only talk but also product service. The reason is that a market that becomes more and more open and more competitive for the customer, it becomes easier to find many products and services from which customers can choose.

Becomes increasingly necessary to provide, in addition to product / service, and a range of personalized services, counseling, assistance, etc. which distinguishes from competitors and justify the price of the product / service.

Good service differentiation among others also represents an advantage: the customer becomes loyal to you. So, bear a relation of trust and convince the customer who hardly fail to think otherwise, seeing the quality of service.

THE CONCEPT OF MARKET ORIENTATION

Imposition of view of logic based on the orientation of the market is provided by the great economist Adam Smith, the "father" of the market economy in 1776, who in his study underlying the wealth of nations said central concept of market-oriented is that, in a market Competitive in which the customer is free to choose the product you want, the company achieves commercial success and offer the products or services it corresponds to the wishes and interests of the customer, then it encourages them to choose their products in instead of products of competitors. According to Kotler & Keller, the marketing task is to find the right products for your customers rather than to find the right customers for your products.⁷

⁷ Philip Kotler and Kevin Lane Keller, (2006) Marketing Management, fq.16

SALES AND MARKET ECONOMY

Term of marketing we often hear each time we encounter in everyday life ranging from media to communicate with the public profile meetings and business negotiations, in various speeches to social conversations of ordinary people. Often, the term marketing is also no adequate use in everyday communication as created misunderstandings and terminological confusion that means just a marketing dimension a matter of fact.

Market economy called it the economy where the market through the mechanism of supply-demand decides what offered and offered, then set prices where the role of consumers is crucial in this process because they are bought vote for the products and services their favorite with also prices they can afford.

A market economy differs greatly from the planned economy, where the force of government to interfere in the economy, taking certain decisions. In real-world market economies don't exist in their pure form, as a range of reasons governments to impose some restrictions, not letting market forces to regulate everything. There are different theories and we can say that among them there is no consensus on how strong should the role of government as the guidance of the market economy is also in control of that market imbalances know produce. However, we can say that most economists oppose protectionism as a measure of control by the state.

The market is a medium of exchange, where the buyer and seller meet somehow, either physically or in virtual form, and exchange goods and also decide on their prices. This feature allows the customer to pay as it takes for the seller manufacturer can't force the customer to buy their product if he doesn't think the product or service is worth as much as has the price.

The market is fundamental institution of the market economy, and the price is basic information, since we know that

everything is on the market at a price determined as: capital, products, services, labor, mind Intellectual other, because all are in limited quantities. "It is the duty of the state to interfere the work as individuals and companies, but it just should place the basic rules, the minimum supervise the game and how they are respected, without interfering how participants work if it doesn't violate the basic laws. The role of the state in the economy should resemble the role of referee in the match ".

Free choice of activity: Private companies are free to use their resources for what they want to offer, certain products or services. They are also free to sell these products in markets where they want. Customers are also free to offer full market choose those products that best satisfy their needs and requirements. And, finally, the workers are also free to choose what and for whom to work, although the latter don't have many alternatives.

Competition: As quite vital characteristic of a market economy and limits the abuse of economic power between different parties in the market. In a market economy, each tries to maximize its benefit, but buyers and sellers alike are free to enter and exit the market. While buyers want to buy their products at prices as low, retailers struggle to maximize their profit, but competition, supply and demand bring prices to levels that are acceptable for buyers and for sellers.

All characteristics of a market economy are inextricably linked and increasingly occur as a result of one another. If we analyze the phenomenon of connectivity, one can easily observe that the existence of private property leads to profit, profit orients businesses where the latter is higher and that is because market economy enterprises have the right to free choice of activity. Because the market economy all businesses and individuals have their rights, all business oriented where the profit is greater, they face competition, which causes a decrease in prices and a rational use of resources (by minimize costs by reducing prices) thus they benefit consumers. So, as we can see, the market is the number

one economic regulator, pricing, rational use of all resources and fostering innovation.

The concept of sales: - orientation in aggressive efforts (enterprise approach to sell products at all costs, convincing consumers to buy products which don't need with money they don't have) in sales and promotion. Enterprises for a long time worked by the sales concept and so the sales department have received a lot of power. It took some time to 50-years in most developed countries, while in developing countries this approach is also present today.

Sales orientation matches the circumstances that the market presence in a large number of products or services identical or similar greatly increases competition. Increased rivalry escalating business entities complicates the competition. In these circumstances, necessarily, management believes that enterprises with an aggressive sales and promotion can be sold all they produced. Sales service is rendered as the most important function of the enterprise so that consumers simply coerced by means of promotion, with the active policy of price and distribution try to gain as many buyers for the enterprise products.

Business perspective to the sales, the main concern is the need of converting the enterprise products in money for what is considered the mission of the company is rounded when the product is sold to the final consumer, or, at least, when the product is received by the dealer network.

Sales orientation, necessarily, service sales staff believes special role, the role and importance of market are seen simply from the standpoint of sales, in the absence of research and research dealing with the needs and behavior of consumers. Yet although perfected service sales, intensify promotion and publicity, the impact on the consumer mayn't be as obvious and not obtained the expected effects on the ground that the conditions of the free market the consumer is the main factor that judges eventually value product or service in the market. The market value of the product determines its

suitability to the needs, desires, demands and habits of consumers rather than aggression and impositions in the sales process. The product is disliked by consumers that have no value; it can be tempting to demand in the market and as such can't be sold.

In developed countries, companies with a clear vision have understood that aggressive selling imposed doesn't lead companies to success and so comes to the birth of his marketing genuine form.

The concept of marketing: - orientation in the establishment of care requirements and customer needs. Companies working under marketing concept try to be more effective than competitors in creating, delivering and communicating superior value to customers in target markets. Nowadays in developed countries marketing is an integral part of any economic activity, thanks to its demands and customer needs are met in the best way possible, the consumer's voice is heard, the customer is respected, the customer is king because there is no business if no customers. Marketing enables a continuous business, and then marketing side creates a better image for the future. Marketing activities are the cornerstones for longer survival of the company in the market; marketing enables the creation of sustainable value in the market, which ensures the fulfillment of human needs. As the economy has changed, the enterprise, the same has also changed marketing according to Kotler and Keller, "marketing is not just a department in undertaking specific tasks, but its activity is the enterprise".⁸

Marketing used to find customers, to satisfy them and to maintain as permanent partners of their business. So the focus of the marketing activities of his customers, so marketing management is considered a key component of business management. As noted earlier, the evolution of marketing has been due to the maturity of large businesses and the expansion

⁸ Philip Kotler and Kevin Lane Keller, (2006) Marketing Management, fq.6

of production capacities, so companies took their focus from production to sales in order to remain profitable. For this reason in all marketing literature states that a company, to be successful, must know what are the needs, requirements and desires of consumers and meet them so as to best possible prices affordable for the consumer.

Contemporary marketing approaches are: marketing relationships with a focus on customer relations or marketing business marketing with a focus on industrial organization or institution and social marketing that focuses on what benefits society. New forms of marketing are internet-marketing or e-marketing etc.

An enterprise in a market economy can survive by producing goods for people who are willing to buy them. As a result, consumer demand for verification is vital to the future of a company and the existence of a safe investment. Many companies today focus on consumers (access to market-orientation). This means that the company is focusing its activities on customer requirements. In general there are three ways to do this: the customer-led approach, intuition and sense of smell of market changes and the product innovation approach. In customer-led approach, customers are the most important factors in all strategic marketing decisions. The companies that have this access, no decision can't be called until it has become strategic to successfully research consumer situation, needs, requirements, desires and complaints. In such an environment, every aspect of the supply market, including the nature of the product itself, is driven by the needs of current and potential customers. The starting point is always the customer. Under this approach, there is no reason to be spent on research-development, since it can come to products that can't buy one. History shows that many products are made

as commercial failures, in the light of technological breakthroughs.⁹

CONCLUSIONS

The profitability of marketing activities is the basis for the planning of each period. Marketing planning, the buttress with other enterprise planning, synchronization features activities in terms of time, as is the adaptability of the enterprise opportunities for market needs. The key objective is maximum profit planning. Profit realized by meeting the needs and requirements of customers in solid and sustained way.

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⁹ Marketing Management: Strategies and Programs", Gultinan et al., McGraw Hill/Irwin, 1996, fq. 7

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