

## THE RESPONSIBILITIES OF THE MARKETING DEPARTMENTS AND THEIR RELATIONSHIPS WITH OTHER SECTIONS WITHIN THE FIRM SELLING OIL PRODUCTS

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Abstract: This paper starts from the assumption that, due to the diversification of most activities associated with a firm that sells oil products, the separation of responsibilities in terms of markets and products is not justified; instead, these tasks should be divided among the specialists working for the Marketing Service Department. In other words, we argue in favour of the organization of the Marketing Service Department in terms of functional, as well as local, product and market-oriented criteria.

### INTRODUCTION

This paper starts from the assumption that, taking into consideration the expansion of the activities associated with a firm that sells oil products, the separation of responsibilities in terms of markets and products is not justified; instead, these tasks should be divided among the specialists employed within the Marketing Service Department. In other words, we argue in favour of an organization of the Marketing Service Section in terms of functional, as well as local, product and market-oriented criteria, while the general prerogatives of the Marketing Service Section should result from an organization based on these criteria: the manager of the firm can delegate authority and the responsibility for the marketing activity to the head of the Marketing Service Section, as a personal relation between the leader and a lower-ranking employee, through which the leader, the manager, transfers to his/her subordinate some of his/her tasks. Thus, the manager invests the head of the Marketing Service with a decisional power, providing the latter with the means to perform the assigned tasks, and setting down the results that should be obtained, while allowing him or her all the freedom of action. By conceding an enhanced authority to the head of the Marketing Service Section, the latter's responsibility is greatly enhanced.

In this context, the authority can be understood as a form of authorized power that allows the head of the Marketing Service Section to act, coordinate, dispose of, make his/her voice heard and decide. Responsibility, in the same context, refers to the duty of the head of the Marketing Service Section to act in accordance with the granted prerogatives and to fulfil certain tasks, these implying the responsibility for the prospective results.

### Section 1. THE GENERAL RESPONSIBILITIES OF THE MARKETING DEPARTMENT

This section aims to provide a detailed description of the responsibilities and the tasks of the Marketing Department within the firm selling oil products, to present the relationships of the Marketing Department with other sections, even after the transposition of the marketing activity, to describe the tasks and the responsibilities of the head of the Marketing Department as well as those of each employee within that service, and to establish the relationship of collaboration between the Marketing Department and the other services, compartments and sections of the firm.

The general tasks and responsibilities of the Marketing Service:

**1. *The association of all marketing activities to business, in the context of a constantly changing economy***

- The functions of the economy and its implications in the marketing activity of the firm selling oil products;
- The discrepancy in terms of revenue;
- The firm selling oil products and its new image;
- Applying the fundamental concepts of the modern marketing: needs, desires and demands; oil products, liquefied oil gas charges, complementary products; value, cost and satisfaction; exchanges, transactions and relations; commodity and business markets; marketing and marketers;
- The management of marketing;
- The demand for oil products, oil products, liquefied oil gas charges, complementary products;
- The position of the firm selling oil products in relation to the market: the concept of selling; the concept of marketing.

**2. *The satisfaction of customers in terms of quality, services and value:***

- The definition of the offered value and of the customer satisfaction; the value offered to the customer; the satisfaction of customers; means of receiving complaints and suggestions; the analysis of the customers' level of satisfaction; role-playing the buyer; the analysis of reasons for the decrease in the number of buyers; aspects related to the customer satisfaction and the transposition of the quality marketing.

**1.3. *The strategic planning, the orientation towards the market, and the collaboration with the other services and departments of the agent selling oil products:***

- The planning of new activities: intensive development, development through integration; development through diversification;
- The strategic planning of activities: the aims of the firm selling oil products, the analysis of the external background; the system of information related to the marketing; opportunities; threats; the analysis of the internal background (its strong and weak points); setting the objectives; the setting of a strategy; the drawing up of the programme; reaction and control.

**3. *The marketing planning***

- The business plan: the marketing plan consisting of two parts, the strategic marketing planning and the tactical marketing planning;

- Gathering information in order to set up the marketing plan, its application through teams;
- The development of the marketing plan: the analysis of market opportunities; the analysis and the choice of the target markets; the elaboration of the marketing strategies; the elaboration of the marketing programs; the organization, the transposition and the control of the marketing activity; the characteristics and the contents of a marketing plan; the analysis of opportunities and problems the firm marketing oil products is confronted with marketing strategies; action planning; expected profits and costs; the efficient distribution of marketing resources.

**Section 2. THE RELATIONSHIPS BETWEEN THE MARKETING DEPARTMENT AND THE OTHER SERVICES WITHIN THE FIRM SELLING OIL PRODUCTS**

Generally speaking, all the departments within the firm selling oil products should interact in a harmonious way, in order to achieve the global objectives of the company. However, in actual situations, the relations between the services and the departments of the firm are often marked by mistrust and deep rivalries.

In the specific organization of the firm, each section has a potential influence upon the customer's level of satisfaction. In accordance with the marketing concept, all the services, departments, sections, stations, fixed centres should take into consideration the customer and strive towards the satisfaction and the meeting of the customers' expectations. The Marketing Department should have a constant attitude in this respect. The head of the Marketing Department has two tasks: to co-ordinate the internal marketing activities and ensure the synchronization between the marketing function and the financing, acquisition and all the other functions of the firm, in the interest of the customer.

The management of the firm should establish the level of influence and authority held by the Marketing Department in relation to the other services functioning within the company, in order to achieve the application of the co-ordinated marketing. Usually, the manager responsible with the marketing activities should use his or her power of persuasion rather than his or her authority in order to achieve this objective.

Given the situation in which a marketing manager should consolidate the market share of the company, he or she has no authority over the other functions that influence the level of the customer's satisfaction.

- He/she cannot hire sales agents for the distribution centres or for the liquefied oil gas charges (The Human Resources Service).
- He/she cannot make decisions in terms of the oil products, and the types of cylinders for the liquefied oil gas charges (The Commercial Service).
- He/she cannot improve the technical condition of the distribution pumps (The Technical Service).
- He/she cannot decide upon the price of the oil products, liquefied oil gas charges and complementary products (The Financial Service).

The following table indicates the main differences in terms of orientation between the Marketing Department and the other sections within the firm selling oil products.

<b>THE DEPARTMENT</b>	<b>AND</b>	<b>IT PLACES EMPHASIS UPON</b>	<b>THE MARKETING PLACES EMPHASIS UPON</b>
MARKETING TRANSPORT		<ul style="list-style-type: none"> <li>• Restricted range of oil products (few)</li> </ul>	<ul style="list-style-type: none"> <li>• Diverse assortments of oil products (many)</li> </ul>

	<p>products)</p> <ul style="list-style-type: none"> <li>• Standardised complementary oil products and liquefied oil gas charges</li> <li>• The price for oil products, liquefied oil gas charges and complementary products</li> <li>• The economic extension of oil products, liquefied oil gas charges and complementary products supplies</li> <li>• A long period of time needed for the delivery of the oil products</li> <li>• Large quantity of oil products and few assortments</li> <li>• Standardised orders (in accordance to the contract)</li> <li>• Medium quality control</li> </ul>	<p>products)</p> <ul style="list-style-type: none"> <li>• oil products, liquefied oil gas charges and complementary products related to different norms</li> <li>• the quality of oil products, liquefied oil gas charges and complementary products</li> <li>• the enlargement of oil products, liquefied oil gas charges and complementary products stocks in order to avoid their exhaustion</li> <li>• Short time needed for the delivery of oil products</li> <li>• Small quantity of oil products but many assortments</li> <li>• Individual orders</li> <li>• Rigorous quality control</li> </ul>
<p>FINANCIAL</p>	<ul style="list-style-type: none"> <li>• The spending is based on strictly rational arguments</li> <li>• Rigid budgets</li> <li>• The prices for oil products, liquefied oil gas charges and complementary products cover the costs</li> <li>• The complete presentation of customers' financial characteristics</li> <li>• No risk of commercial credit in the marketing of oil products, liquefied oil gas charges and complementary products</li> <li>• Tough condition for credit</li> <li>• Tough procedures of credit recuperation</li> </ul>	<ul style="list-style-type: none"> <li>• The spending relies on intuitive arguments</li> <li>• Flexible budgets, that can be adapted in relation to the changing needs of the customers</li> <li>• The prices for oil products, liquefied oil gas charges and complementary products are established so that they might allow the ensuing development of the market</li> <li>• Minimum examination of the customers' credits</li> <li>• A certain risk of commercial credit in the marketing of oil products, liquefied oil gas charges and complementary products</li> <li>• Tolerant procedures for the recuperation of</li> </ul>

		credits
BOOK-KEEPING	<ul style="list-style-type: none"> <li>• Standardised transactions</li> <li>• Few reports</li> </ul>	<ul style="list-style-type: none"> <li>• Special conditions and price lowering</li> <li>• Many reports</li> </ul>
TECHNICAL	<ul style="list-style-type: none"> <li>• The normal functioning of the distribution pumps for the oil products and of the means of transport</li> <li>• Neon advertisements and directories in good technical condition</li> <li>• Intervention for the rectification of deficiencies at distribution pumps and for metrology in accordance with the distribution personnel and the existing means of transport</li> </ul>	<ul style="list-style-type: none"> <li>• The flawless functioning of the pumps for the distribution of oil products and of the means of transport</li> <li>• The very good technical condition of the neon advertisements and of the directories</li> <li>• Rapid intervention in order to rectify technical problems and for metrology.</li> </ul>
HUMAN RESOURCES	<ul style="list-style-type: none"> <li>• Hiring the sales agents in relation to the schooling diplomas they have</li> <li>• Negotiated wages for the sales agents</li> <li>• The sanctioning of the sales agents only after some administrative research</li> </ul>	<ul style="list-style-type: none"> <li>• Hiring the sales agents in relation to their abilities and experience</li> <li>• Wages made up of a fixed part and a variable one, related to the volume of the sales</li> <li>• The prompt sanctioning of the sales agents if the requirement for oil products is not satisfied, or if they abuse or insult the client</li> </ul>

**Section 3. STRATEGIES FOR THE INTRODUCTION OF MARKETING-ORIENTED ACTIVITIES WITHIN THE FIRM SELLING OIL PRODUCTS**

The following table represents an instrument that might be used for the evaluation of those departments and sections within a firm selling oil products that are really customer-oriented.

<b>ARE THE SERVICES PROVIDED BY THE COMPANY SELLING OIL PRODUCTS REALLY CONTROLLED BY THE CUSTOMER?</b>	
THE MARKETING AND TRANSPORT DEPARTMENT	<ul style="list-style-type: none"> <li>• Finds time to meet and listen to the customers' problems</li> <li>• Welcomes the involvement of the marketing, the technical, and the other departments in the promotion of certain</li> </ul>

	<p>oil and complementary products and of new cylinders</p> <ul style="list-style-type: none"> <li>• Evaluates the products of competing companies and tries to find the best solution for acquisition and re-selling</li> <li>• As the marketing of its products develops, it takes into consideration the opinions and the suggestions coming from the customers</li> <li>• Attempts to purchase, in relation to the signals coming from the market, oil products, liquefied oil gas charges and complementary products, and re-sell them</li> <li>• It looks for the best providers of oil products, liquefied oil gas and complementary products, not only for those that offer their services</li> <li>• It establishes long-term relationships with the providers of oil products, liquefied oil gas charges and complementary products, who can be trusted and offer quality products</li> <li>• It never accepts compromises in terms of quality in order to obtain profits and save through the employment of certain prices</li> <li>• It invites the customers to visit the commercial spaces, the distribution stations and the fixed centres</li> <li>• It visits the customers companies premises in order to see how they use the oil products, the liquefied oil gas charges and the complementary products</li> <li>• The employees within this service are ready to do overtime work when necessary</li> <li>• It is permanently looking for new, better and quicker ways of marketing the oil products</li> <li>• It purchases and sells quality oil products, liquefied oil gas charges and complementary products, so that these would have “zero deficiencies”</li> <li>• It fulfils the customers’ demands for the “personalization” of products, when such a thing is profitable for the agent</li> </ul>
THE MARKETING SERVICE	<ul style="list-style-type: none"> <li>• It evaluates the needs and the demands of the customers for the oil products, the liquefied oil gas charges and the complementary products that the firm sells in the market sections it dominates</li> <li>• It allocates the marketing effort in</li> </ul>

	<p>relation to the long-term potential profitableness of the market segments aimed at</p> <ul style="list-style-type: none"> <li>• It provides interesting offers of oil products, liquefied oil gas charges and complementary products for each market segment aimed at</li> <li>• Evaluates the image of the agent marketing oil products and the level of customer satisfaction</li> <li>• It permanently gathers and evaluates ideas concerning the marketing of new products, the improvement of the marketing activities and the services that are provided in order to satisfy the customers</li> <li>• It exerts influence upon all the departments, sections, commercial units, distribution stations and all the employees of the company selling oil products, with the view of placing the customer at the centre of all the commercial thinking and practices</li> <li>• It disseminates positive information about the agent and tries to eliminate the negative one</li> <li>• It functions as a personal legal agent for the customer, trying to direct the agent that markets oil products towards better commercial attitudes and practices</li> </ul>
<p>THE FINANCIAL SERVICE</p>	<ul style="list-style-type: none"> <li>• It is aware of and finances the expenses destined to marketing activities (for instance, advertisements for a certain product or for the consolidation of the company's image), that induce the customers' long-term preference for a certain agent and their fidelity</li> <li>• Adapts the financial plan to the demands of the customers</li> <li>• Makes rapid decisions that view the provision of commercial credits for the customers</li> </ul>
<p>THE BOOK-KEEPING SERVICE</p>	<ul style="list-style-type: none"> <li>• It periodically elaborates reports concerning the profitableness achieved by the company selling oil products, in relation to each commercial unit, section, distribution station, fixed centre, product, market segment (the commodity or the business market), the size of the order and the individual customer</li> <li>• It issues invoices that are perfectly adapted to the needs of the customers,</li> </ul>

	and answer promptly and politely to the customers' questions
THE TECHNICAL SERVICE	<ul style="list-style-type: none"> <li>• It includes in the plan for the maintenance and the repair all the equipments and the outfits that contribute to the attendance of the customers</li> <li>• It respects the conditions of the plan for metrology checking</li> <li>• It ensures the prompt intervention in order to correct accidental problems</li> </ul>
THE HUMAN RESOURCE SERVICE	<ul style="list-style-type: none"> <li>• It hires personnel in accordance with the existing legal terms, their competence, politeness, good-humour, trustfulness, credibility and solicitude</li> <li>• It suggests the most appropriate structure for the commissions that are established for the employment or the promotion of personnel</li> <li>• It organizes qualification programmes and training sessions the company's employees, guided by lecturers with remarkable theoretical and practical abilities</li> <li>• It establishes wages in relation to the activity that is being carried out and the results obtained in terms of customer satisfaction</li> </ul>
COMMERCIAL UNITS, DISTRIBUTION CENTRES FOR OIL PRODUCTS, FIXED CENTRES FOR THE MARKETING OF LIQUEFIED OIL GAS CHARGES, AND EQUIPMENTS FOR THE MARKETING OF LIQUEFIED OIL GAS CHARGES	<ul style="list-style-type: none"> <li>• They are informed about the activity carried out by the customer</li> <li>• They try to offer the customer "the best solution"</li> <li>• They commit themselves only to what they can actually achieve</li> <li>• They inform the persons in charge with the marketing of products about the needs and expectations of customers</li> <li>• They provide long-time services for a certain customer</li> <li>• They set high standards for services and constantly act according to these standards</li> <li>• They ensure the serving of the client, they have a friendly behaviour, they are competent, can answer the customers' questions, they deal with complaints and solve the problems in a satisfactory way. They are competent, courteous, good-humoured, credible, trustful, and solicitous.</li> </ul>

Unfortunately, the firms selling oil products are oriented towards selling, products and marketing technologies (modern stations of distribution for the oil products, the involvement of some tourist utilities: hotels, motels, restaurants). Sooner or later, they will go through a

market shock. They might lose an important market section, to go through a period of slow development or low profitableness, or come against fierce competition.

In some branch offices of the firm selling oil products, the managers might not understand the marketing in an appropriate way, associating it simply with the activity of marketing promotion. They want to sell and advertise in a more aggressive way and overlook an essential aspect, for the promotion activity is useless when the oil products, liquefied oil gas charges and complementary products and their prices do not represent a value for the target customers.

Some managers have a simplistic understanding of the need to change the economic culture in the branch offices they are responsible with. They believe that speeches about each employee's duty "to work for the client" and the organization of training sessions in the field of marketing are sufficient for the achievement of the desired results. Such managers underestimate the resistance to change, especially in the absence of new stimulating factors. When the performance in terms of marketing oil products, liquefied oil gas charges and complementary products does not improve, they lose their patience and turn to a different aspect, such as the increase of productivity for all the commercial units, distribution stations and fixed centres.

If the company selling oil products wishes to develop a successful marketing culture, it should go through the following stages:

- It should convince all its managers and head of departments, sections, commercial units and distribution stations of the necessity to become customer-oriented; in this case, the authority and the involvement of the manager of the company are crucial. He or she should convince the superior managers of the importance of thinking of the client as the centre of all their activity. He should frequently talk to the employees, providers, and members of their own distribution network, pointing out the importance of providing quality and valuable oil products, liquefied oil gas charges and complementary products to customers. The general manager should have such an attitude that would demonstrate obvious involvement towards the satisfaction of the customer, and reward all the employees that act in a similar way.
- The appointment of a superior specialist in marketing and the organization of an operative marketing group. The management of the company should appoint a specialist with academic studies in more than one marketing domains, who might provide guidance in the elaboration of programs meant for the introduction of the modern marketing thinking and performance within the firm selling oil products. The operative group should be made up of managers, the heads of the departments, as well as several other key-persons within the firm.
- To obtain help and support from the outside: the operative marketing group should receive advice from some external experts concerning the introduction of the marketing culture. The counselling firms should have a considerable experience in helping the companies selling oil products.
- The changing of reward patterns within the company, in order to change the attitudes of employees in each department of the firm. As long as the marketing and the transport department is rewarded for the maintenance of low prices, it will be reticent to accept a certain raising of the costs, meant to

satisfy the customers. As long as the financial department focuses on obtaining short-term profits, it will react against major investments in marketing, which are meant to attract more satisfied and constant customers.

- The firm selling oil products should employ important specialists in the marketing domain: the management of the firm should think to employ a person that has both talent and the necessary knowledge in the domain, preferably from firms that occupy leading positions in marketing. This person will need a strong marketing manager, who must organize the marketing activity, gain respect and have the capacity to influence the other managers.
- The elaboration of internal programmes for instruction in the marketing domain: these should be well organised and aimed at the activities of managers, heads of departments, and the personnel working within the marketing department. Such programs should provide information, abilities and marketing attitudes.
- The installation of a modern system for the planning of the marketing activities. The structure of such a planning should take into consideration the market, the marketing opportunities, the competitive tendencies and other external factors. Next, the managers will elaborate marketing strategies and prognosis concerning the marketing and the profits obtained after the selling of oil products, liquefied oil gas charges and complementary products, and they are entirely responsible for their performance.
- The setting of an annual program for the recognition of the management skills: the management of the company selling oil products, liquefied oil gas charges and complementary products should encourage the commercial units, the departments that believe they have developed a very good marketing plan, and send to the premises of the firm (the marketing department) a description of the respective plan and of the result that were obtained. A special commission shall analyse these plans and select the best ones and reward the best commercial unit during a specially organised ceremony. These plans will be sent to the other commercial units, departments and distribution centres as “models of marketing thinking”.
- The study of possibilities for re-organization that should allow the transformation from a firm focused on product to a firm focused on the market. To focus on the market means to create, within the firm selling oil products, a department that should concentrate its attention upon the needs of certain sectors of activity and co-ordinate planning and the offer of oil products or liquefied oil gas, and each of these ones individually.

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