

## **MARKETING ACTIVITY AND MARKETING OF PETROLEUM PRODUCTS**

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**Abstract:** Peter Drucker defined marketing as opposed to sales: "The objective of marketing is to make selling superfluous. The aim is to know and understand the customer so well that product or service to suit his needs ...and sell themselves. "

Marketing actions are concentrated on the most attractive price for the customer, the most effective options for distribution and promotion of these products. To ensure consumer loyalty and repeat purchases, product marketing and follow recommended consumption is concerned about the growing importance of after-sales services to ensure a sustained competitive advantage.

### **1. INTRODUCTION**

Successful companies today are based on their actions on market orientation and strategic orientation. To understand the marketing needs to analyze the business. Aim of the company for marketing of petroleum products is to offer consumers a certain amount in exchange for a profit. Company purchases petroleum products (gasoline, diesel, fuel "M", CLU, bulk oil, complementary products (oil, auto cosmetics, human cosmetics, auto parts, additives) that are then sold on the market.

Marketing operators begin by market segment, and then choose the target market and positioning the value of the offer made. The formula - segmentation, targeting, positioning (STP) - is the essence of strategic marketing. Establish product characteristics, price and distribution mode is an operation component of tactical marketing.

Marketing activity is to analyze market opportunities arising, studying and choosing target markets, developing marketing strategies, marketing programs, organizing, implementing and controlling marketing effort.

### **2. ANALYSIS OF MARKET OPPORTUNITIES**

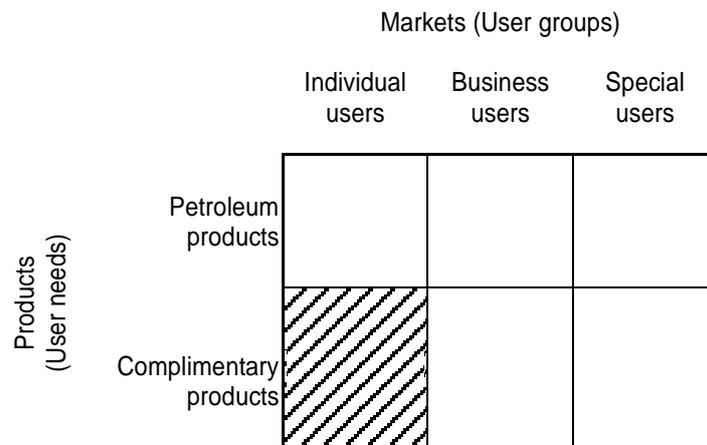
The first task of the marketing service is to analyze long-term opportunities offered by the market. The long term objective of the company for marketing of petroleum products is to become market leader, helped plan the improvement of sales activity. To be able to evaluate options, agent for the marketing of petroleum products needs a solid marketing information system. Research is an essential marketing tool in that the agent for the marketing of petroleum products can serve their clients properly only when he knows the needs and desires, location, etc. purchasing techniques. Company for marketing of petroleum products needs an effective internal accounting system that provides information on current sales for each product, customer, supplier, marketing departments, filling stations, retail area, channel of distribution. In addition, market information collected about customers, competitors and its intermediaries.

Marketing service personnel should carry out research in the secondary sources, polling consumers by phone, by mail or in person.

The modern statistical methods and models, agent for the marketing of petroleum products may obtain useful information on how various market factors influence sales volume. Supply company for marketing of petroleum products and markets business addresses, including businesses, institutions, etc.

### 3. STUDY AND SELECT OF TARGET MARKETS. POSITIONING OF SUPPLY

Agent for the marketing of petroleum products shall pass to the study and choice of target markets. He must know how to measure and predict the activity of a given market. This involves determining the size, growth rate, profitability and level of market risk. Marketers must master techniques for measuring the potential market and demand forecasting. Measurements and market forecasts help crystallize key information from which decisions will be made to approach new markets or products. Today, modern marketing practices appeal to markets division into segments, evaluation, selection and focus on those segments that agent for the marketing of petroleum products can profitably serve the market segmentation can be achieved in several ways.



***Product-market grid for products traded market***

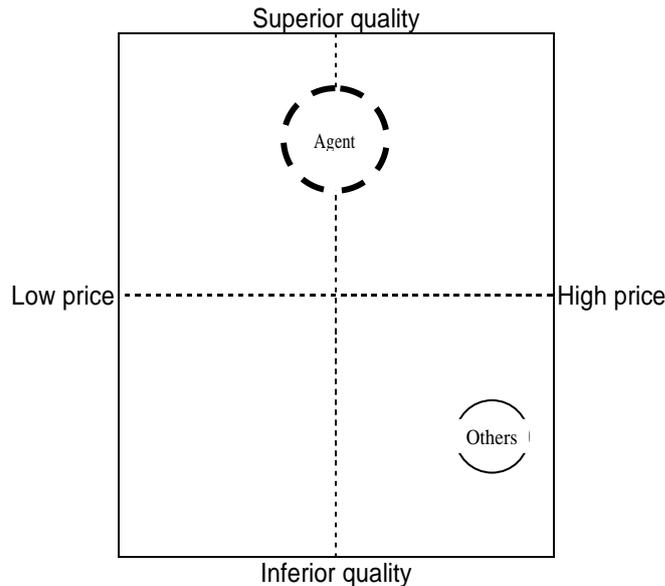
Figure shows the product market in relation to two variables: the categories of users and their needs.

This analysis model is called "product-market grid".

Marketing management can thus appreciate the attractiveness of each market segment and potential activity of agent marketing of petroleum products. It will try to find out if any additional products on the market that meet objectives and available resources.

### 4. DEVELOPING OF MARKET STRATEGIES

The Company aims to focus on individual users of complementary products (box marked in the figure above). Specialists Company for marketing of petroleum products will make a product positioning map, showing the market positions held by him and four of the strongest competitors.



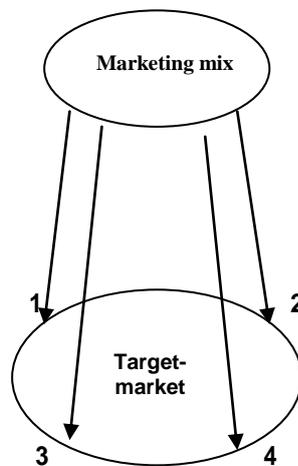
**Fig.1.Product positioning map for quality and price**

Before taking action, the company for marketing of petroleum products must meet three conditions: first, he must learn from its specialists that can acquire high quality complementary products that sell at an average price (compared to competition) and to make profit, secondly, to find out if there are enough buyers willing to buy these products, thirdly, the operator must be able to convince potential customers that these products are comparable in terms of qualitatively, with the competition. After the decision regarding the product positioning, marketing agent for oil products should start to buy products, to test and market them. Ability to purchase products of this process involves the efficient organization and use of instruments of decision and controls every stage of its distinct. After launch, the strategy applied to new products, will have to pay changes during each cycle: introduction, growth, maturity and decline. Moreover, the choice strategy will depend on the role the agent plays in the marketing of petroleum products on the market: the leader, follower or speculator

## 5. DEVELOPMENT OF MARKET STRATEGIES

Marketing strategy must be translated into marketing programs. This is achieved by adopting the decisions on marketing expenses, the destination marketing mix and marketing funds. Agent for the marketing of petroleum products have to decide on the optimal level of marketing expenses necessary objectives. Typically, agent for the marketing of petroleum products shall establish its marketing budget as a percentage of projected sales table. Petroleum products marketing company for trying to find the relation between marketing and sales budget their competitors. Sometimes it may spend beyond this report, the desire to gain greater market share. Finally, the agent for the marketing of petroleum products should consider the volume of marketing activities to achieve a certain volume of sales or a certain market share and establish the costs of these activities. This will get the necessary marketing budget. Also, agent for the marketing of petroleum products must decide on how the marketing budget will be allocated among the various elements of the marketing mix. Marketing mix is the set of marketing tools the firm uses to reach your marketing objectives target market. In practice there are many marketing-mix tools. These tools have been divided according to four factors, which are known as the "4

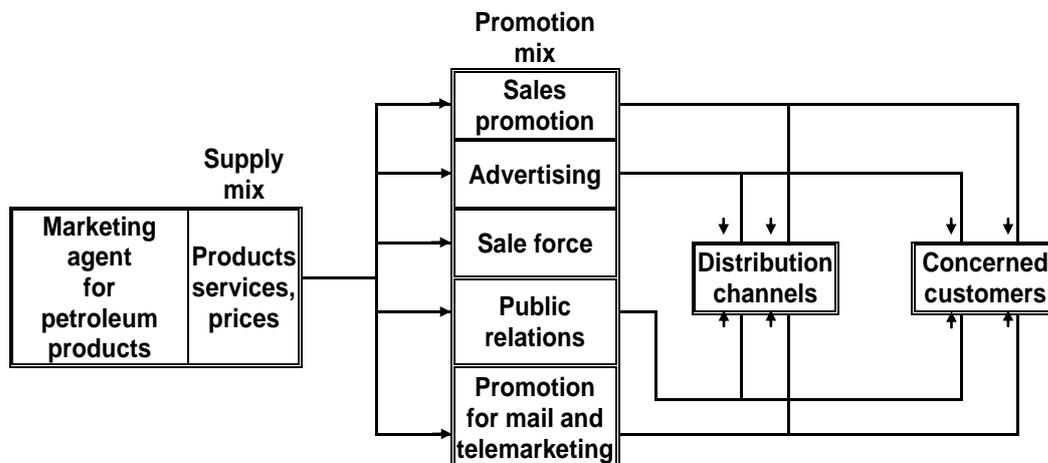
Ps": product, price, placement (distribution) and promotion. Variables specific to each tool are shown in the figure below.



1	2	3	4
PRODUCT	PRICE	PROMOTION	PLACEMENT
- quality	- catalog price	- promo sales	- channels
- aspect	-discounts	- publicity	- cover
- characteristics	- facilities	-sale capacity	- types
- mark	- payment period	- public relation	- places
-packing	- credit conditions	- direct promotion	- stocks
- dimensions			- transport
- services			
- guarantees			

*Fig.2.The "4 Ps" of marketing mix*

The figure below shows how the marketing agent elaborate his products, services and prices mix and promotional mix which includes tools such as sales promotion, advertising, personal selling, public relations, the promotion by mail and telemarketing to attract distribution channels and target consumers.



*Fig.3.Marketing mix strategy*

Not all variables of a marketing mix can be adjusted in the short term. Usually, short term can make changes in price levels, sales force size and level of advertising spending. Regarding the purchase of new and changing distribution channels, they are long-term

goals. Finally, marketers must decide on the allocation of marketing funds for various products, distribution channels, media promotion and sales areas. A crucial element of the marketing mix is price, that amount of money that consumers must pay to purchase a product. Agent for the marketing of petroleum products to make important decisions about the level of the wholesale price and retail mark-ups, payment facilities and credit conditions offered to buyers. The price charged must correspond to the buyers, otherwise there is danger that it will turn to a competitor. Placement or distribution, the next element of the marketing mix refers to the agent for the marketing activities of oil products should carry out because his products are available to its categories of consumers. The fourth element of the marketing mix - promotion, marketing agent sets out actions related petroleum products on its communications to promote its product and target market. For this our agent to hire, train and motivate sales force. He also must develop and carry out various communication programs and outreach activities consisting of advertising, direct sales promotion and public relations. Note that the "4 P" represents the seller's point of view of marketing tools available for influencing buyers. In terms of buyer, each marketing tool is designed to give an advantage as a consumer. It is even arguable that the "4 P" correspond to the "4 C" of the customer.

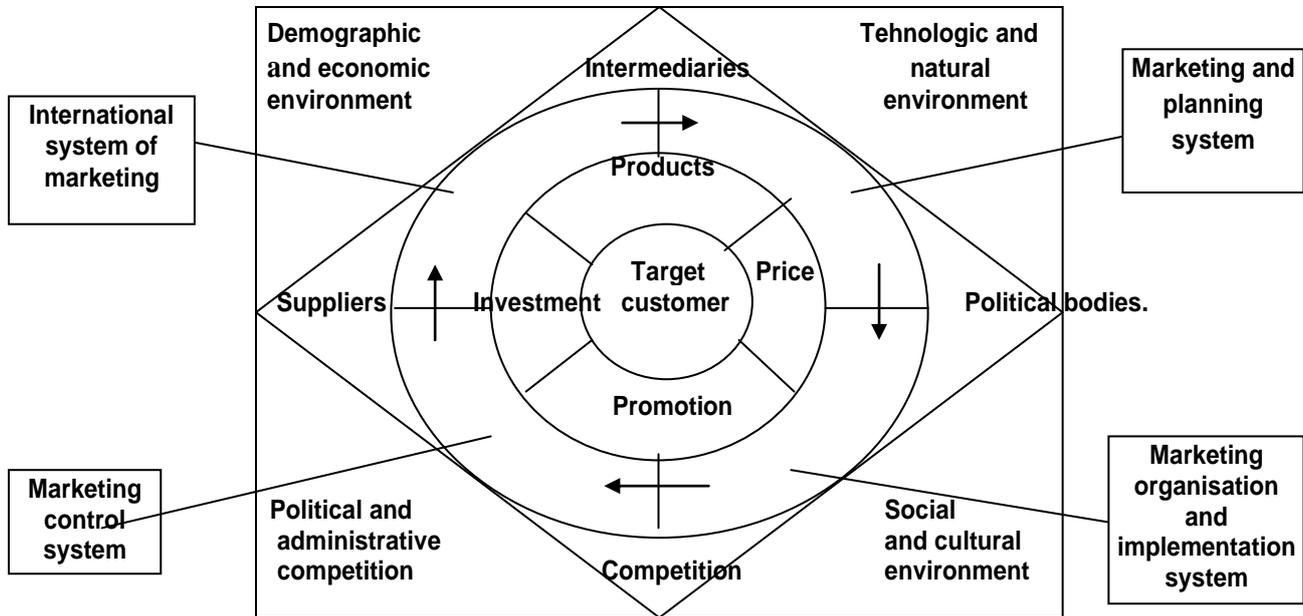
„4 P”	„4 C”
<b>Product</b>	<b>Requirements and customer needs</b>
<b>Price</b>	<b>Customer expenses</b>
<b>Placement</b>	<b>Convenience(in purchase) of customer</b>
<b>Promotion</b>	<b>Communication</b>

In conclusion, successful firms (in competition) will be those who will be able to meet the needs of buyers in an economical and convenient for them, in terms of effective communication.

## **6. ORGANIZATION, INCORPORATION AND MARKETING ACTIVITY CONTROL**

The final step of marketing activity is organizing marketing resources, and marketing plan implementation and control. Agent for the marketing of petroleum products to create a marketing service that has the ability to implement the marketing plan. In this case, there are many marketing specialists to carry out the marketing: commercial director (marketing), the head of marketing, head of service delivery, the operator requests for products, market segments operator and service personnel. Typically, the marketing activity is led by marketing director has two main tasks: to coordinate marketing and marketing personnel with the other directors of the company. Marketing service efficiency depends on how its staff is selected, trained, managed, motivated and evaluated. As marketing plans are implemented, you might get some surprising aspects and disappointing. Therefore, all staff of the agent for the marketing of petroleum products must be aware of a number of reaction and control techniques. Mind control techniques of three: the annual plan control, profitability control and strategic control. Control annual plan is designed to ensure that management objectives (sales, profits, etc...) Are met: first, these goals must be precisely defined for each month or quarter, secondly, management should constantly measure results market, thirdly, if finding a lack of performance, have analyzed the causes that led to this, fourthly, be taken to bridge the gap between objectives and results. The control strategy aims to verify whether the marketing strategy adopted complies of the market. Following the rapid changes occurring in the market,

agent for the marketing of petroleum products must review periodically the effectiveness, citing an analysis tool called marketing control.



*Fig.4. Factors influencing the agent's marketing strategy for marketing of petroleum products*

In this figure are condensed elements of marketing and factors affecting marketing strategy.

The systems presented in the figure, supervising agent for the marketing of petroleum products operating environment and adapt it.

It must be adapted both microeconomic environment (represented by intermediaries, suppliers, competitors and public bodies) and the macroeconomic environment (represented by demographic, economic, political, legal, technological, natural and socio-cultural). The strategy of serving the consumer, agent for the marketing of petroleum products must take into account all factors and all the forces acting in the market.

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