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## MODERN MARKETING TOOLS AND DETERMINANTS IN TERMS OF GLOBALIZATION

**Summary.** The paper analyzes the opportunities and challenges for organizations caused by globalization processes. The determinants of the impact of globalization on transcultural communication are determined. New trends and problems in the context of globalization are revealed. The article analyses the effectiveness of the use of marketing tools in the company's activities in the context of globalization, such as e-mail marketing, telemarketing, networks and online marketing, taking into account the influence of the cultural factor. Some regional differences, typical characteristics that must be taken into account when doing business in different countries are considered. A factor model of business success is proposed in accordance with the ranking of marketing tools. Recommendations have been developed to improve the effectiveness of the marketing strategy, taking into account the identified determinants.

**Key words:** Globalization, Global markets, Global marketing, Global marketing opportunities, Global marketing threats.

**Introduction and problem statement.** In the last two decades the world has gone through the process of globalization that causes an increase in economic, financial, social, cultural, political, market and environmental interdependence among nations. Business is also inevitably affected by this process of change towards more interdependence. Although it provides new opportunities to businesses, globalization also creates new challenges for them as a result of intense competition between companies around the world. Companies from developing countries are particularly at risk because the commodities they produce must meet the global market criteria, in particular in terms of price, quality and delivery standards. These global trends bring new challenges to the companies and they need to adapt, in order to be competitive.

**Analysis of recent research and publications.** A lot of researchers have noted the numerous and nuanced impacts of globalization on countries and companies around the world. Among them Acocella N. [1], Dicken P. [2], Faiola A. [4], George R. [5] and Hill C. [7], Martell L. [10], Oman C. [11], Porter M. [12], Sorrells K. [14] are distinguished. Globalization creates a specific context with direct implications on companies having positive and negative effects. According to Oman C., economists perceive globalization by removing barriers to international economic development. This opinion suggests that globalization means an improvement in the reach of the economic ties between national economies, i.e. an increase in the movement of goods, labor force, resources and foreign direct investment, and the convergence of international commodity markets [14, p. 53].

The author Lechner F. describes globalization as «an interdependence between countries and nations around the

world, which has led to a massive reduction in transport and interaction costs and the elimination of artificial barriers to the flow of goods, resources, capital, information and people across boundaries». The consequence of these globalization processes is the convergence of economies, national states and technology, as well as the introduction of free market capitalism to nearly all countries around the world [9, p. 32].

According to Porter, the positive aspects of globalization relate to the possibility of acquiring inputs from anywhere, such as raw materials, capital and knowledge, then the spread of different activities abroad and the use of cheaper labor and capital, which helps to achieve competitive advantage [12, p. 156].

In fact, globalization provides faster access to new technology, new skills, new markets, new financial outlets and, more than ever before, more potential prospects for future growth. Successful companies are taking advantage of these tremendous prospects for globalization and are taking advantage of the patterns and activities that globalization provides. Such opportunities are the reason why more and more companies (not only large corporations, but also small and medium-sized enterprises) are seeking to have an international presence, even though they face pressing challenges. Globalization has affected and transformed the marketing industry, changing what it means to «grow» to include an international, multicultural and multilingual customer base. Global companies are tasked with deciding whether to implement a global marketing strategy where a similar marketing message is delivered in each country or an international approach that is unique to each market based on a cultural perspective and specific use of a product.

Several empirical studies [1–14] have been conducted to investigate how globalization actually affects the companies.

The literature review showed that there was enough information about the e-mail marketing and telemarketing in separate. However, not much research on this specific direct marketing combination has been done earlier. It was good to understand the concepts fully and separately before combining them in any way. This helped to form a good research framework that was to be the base for the rest of the research.

**The purpose of the paper** is to analyse the factors of increasing the effectiveness of the existing marketing strategy with the help of advanced company marketing tools in the context of globalization. According to the purpose there should be considered the next goals: to estimate the effect of globalization on processes of modern society; to analyse opportunities and challenges for organizations caused by globalization progress; to examine the marketing tools in terms of globalization; to elaborate a business formula of success according to the new marketing tools.

**Results of the research.** Globalization is a progressing handle by which territorial economies, social orders, and societies have to be coordinated through a globe-spanning arrange of communication and exchange. The term is in some cases utilized to refer to integration of national economies into the worldwide economy. It is normally done through exchange, outside speculation, capital streams, relocation and the spread of innovation.

Globalization and the international economy have influenced and changed the advertising industry, transforming what it means to «develop» to include an international, multicultural and multilingual customer base. The company is responsible for determining whether to adopt a global marketing plan where a particular promotional campaign is distributed in each country or a localized approach that is tailored to each region, depending on a cultural perspective and on the specific use of the brand.

There are probably four different marketing constituents that need to be considered if one analyses the extent of the marketing globalization. The standard «Four P's» of marketing: product, price, place, and promotion, are all affected as a company moves through the five evolutionary phases to become a global company. Ultimately, at the global marketing level, a company trying to speak with one voice is faced with many challenges when creating a worldwide marketing plan. Unless a company holds the same position against its competition in all markets (market leader, low cost, etc.) it is impossible to launch identical marketing plans worldwide.

Global marketing advantages can be defined as increases in market, trade, investment potential and resource accessibility. Changes in the business environment enable companies to access new markets, relocate their operations, and exploit cheap resources around the world with lower costs [10].

It has become easier for companies to sell their products to different locations to gain benefits from location advantage since there are less trade barriers in today's global marketplace. Companies are able to reach out and serve many new markets around the globe. Liberal movements of financial and human capital also facilitate their business transactions which has also become more efficient due to the globalization of technology. It also allows the marketer to not only reach consumers in a wide range of ways but enables them to offer a wide range of products and services. It includes, among other things, information management, public relations, customer service and sales. With the range of new technologies becoming available all the time, this scope can only grow.

Global marketing provides vast opportunities for technology marketers to better understand prospective customers by collecting and sharing information from and about users. However, given the inherent privacy concerns, governments,

industry groups and regulators have responded with a myriad of new and ever-changing rules, regulations and guidelines that present marketers with the challenge of understanding what they can and cannot do, particularly when launching campaigns in new markets or running campaigns across multiple countries bound by different laws. Not surprisingly, the specifics of these regulations vary greatly from country to country. It is still more complicated to make matters, laws of jurisdictions often overlap, requiring marketers to simultaneously comply with multiple, and sometimes conflicting, regulations. As a result, a global online marketing campaign often requires a marketer to navigate a regulatory minefield in which errors in guidance or execution can lead to embarrassing, and potentially costly, missteps.

The research based on an example of the international trade consultancy of Dutch origin BBI that collaborate with companies in international markets, assisting them in expanding their distribution markets. Its clients are able to expand to new markets and increase their revenues abroad. BBI is considered as a partner in the development internationalization, it reduces risks for the regular business [15].

When analysing the revenue we can see its increase during 2018–2019 due to the marketing tools. Main activities are the identification of clients, or more specifically the preparation a list of potential clients that qualify selection criteria and confirm their initial interest (including detailed company profiles). Choosing the country to export according to the market drivers and preparing the country ranking providing with partner selection, means making company profiles of potential importers, dealers, agents, etc. that fit selection criteria and open for cooperation. Preparing the company specializes in international growth roadmap, a clear plan that secures efficiency by defining priority products and countries, market entry models, partner criteria, etc.

BBI is using e-mail marketing, telemarketing, networking and online – marketing in order to find new customers and retain the old ones (Table 1).

Telemarketing could be seen as an art that requires a person to be engaging and capable of generating large volumes of new customer prospects. Successful telemarketing campaigns tend to be highly targeted, relying on accurate and well-defined customer data that matches customer profiles to product profiles.

The advantages of using telemarketing as a marketing tool are: cost-effectiveness, it increases sales, it is easy to use and there is a good possibility to target. With these facts telemarketing can be viewed as a good customer service.

Companies who want to gain customer loyalty should definitely invest in inbound telemarketing because customers can find it very intrusive if they have to wait service for too long. Furthermore, it is obvious that the employees have to know the products and services sold (Table 2).

As telemarketing and e-mail marketing are used in combination it was analysed how the following indicators work in synergy. The process of approaching is done in Bitrix 24 which is of a leading CRM system nowadays (Table 3).

When analysing the outcomes of implementation of e-mail and teleMK in France we can see that in total it made 498 active leads, 235 declined leads and 8 converted. The average conversion rate is 1.61%. In BBI converted lead is defined as an appointment made. The number of appointments in 2016 was 91; with making the first and follow up visits we got 8 important contracts with clients in Spain where the conversion ratio was 8%. The number of appointments in 2017 was 288, due to opening the new offices in Barcelona and Madrid. With making the first touch and follow up visits we got 31 important contracts with clients in where the conversion ratio was 9%.

Table 1

Definitions of Marketing Tools

	Tools	Definitions
1	Search Engine Marketing	SEM is an internet marketing method that increases the ranking of the website in search engine and brings more users and the bandwidth”
2	Online PR	“Maximizing favorable mentions of your company, brands, products or web sites on third-party web sites which are likely to be visited by your target audience”
3	Online Partnership	Affiliate marketing is one of the useful tools of online partnership to create website traffic
4	Telemarketing	Contacting customers by phone to make product or service offers.
5	E-mail Marketing	A wide variety of e-commerce marketers are using permission based e-mail communications to notify prospects of promotions and services, acquire new customers, increase sales, and, most importantly, develop and nurture an ongoing dialogue and relationship with their Customers”
6	Viral Marketing	Viral Marketing harnesses the network effect of the Internet and can be effective in reaching a large number of people rapidly.
7	Networking	Simply talking to people, making connections and developing relationships to help your circle of influence rise.

Table 2

Telemarketing. Pros and cons

Advantages		Disadvantages	
Company	Customer	Company	Customer
Reduce cost	Good service	Robinson list	Aggressive
Increase sales	No need for initiative	Expensive	Disturbing
Easy	Possible discounts	Negative responses	No possibility to abnegate
	Feels company’s focus	Targeting issues	Continuous

Table 3

Conversion ratios

Total BBI	Scorecard 2018	2016	2017	2018	All years
France	Appointments TeleMK	34	28	22	
	First Visits	31	26	18	
	Follow - ups	15	16	13	
	Total Visits				
	Contracts	4	5	2	
	Ratio	2 %	2,5 %	1,5 %	2 %
Spain	Appointments TeleMK	91	288	222	601
	First Visits	96	351	280	
	Follow - ups	16	185	201	
	Total Visits	112	536	481	
	Contracts	8	31	45	106
	Ratio	8 %	9 %	16 %	11,55 %

In 2018 there were 222 appointments. With making the first touch and follow up visits we got 45 important contracts with clients in where the conversion ratio was 16%. So the average conversion rate is 11,55%, we can see that the highest values of appointment made was in 2017, however the outcome of 2018 is the best comparing to the previous years. The results are amazing, because the number of interested customers grew over during that period as telemarketing calls and e-mail marketing were targeted on only attracted customers and the company saved money and time at the same time.

The next point to analyse is the networking ranking. BBI is using networking actively. The use of LinkedIn is among the important things to emphasize. It allows members (both workers and employers) to create profiles and «connections» to each other in an online social network which may represent real-world professional relationships (Table 4).

The leading tools are telemarketing and e-mail marketing, and their implementation in BBI. The highest ratio of telemarketing is in the Netherlands. The worst outcomes are in France according to the cultural diversity (Table 5).

The business meetings are conducted differently in different countries. Although there might be some regional

variations, there is usually a number of typical characteristics that should be taken into account when conducting business in these countries. For analysing influence of Cultural factor there were selected the following countries where this influence is the most critical for the results of the interaction: Spain, Germany and France.

Compared to other Western European nations, the way business is done in Spain is more relaxed. Persons should be prepared to negotiate very complicated and time-consuming. The members allow enough time in your schedule before beginning talks to get to know your business partners properly. People keep in mind that, before business can be addressed; social bonds must be formed first. A good relationship is an integral part of Spain’s positive negotiations. Written statements are often granted less weight than in France or Germany, for instance.

Germany. Business negotiations tend to be analytical and factual. Business is hierarchical. Decision-making takes place at the highest levels of the company i.e. top down. It is not appropriate to bypass an associate of equal ranking by consulting with his or her superior, even if negotiations take a long time. Deference is given to the authority. Subordinates

Table 4

## Effectiveness of Online Marketing

Country	Online Marketing		Ranking
	Social Media Marketing	SEO	Average
The Netherlands	5	5	5
Spain	4	3	3
Denmark	3	3	3
Sweden	3	3	3
Belgium	3	2	2.5
France	2	1	1,5

Table 5

## Marketing tools ranking in BBI

Marketing tools	TeleMK	E-mail Marketing	Networking	Online Marketing
Relative importance, points	1	2	3	4
Relative weight, %	25.00%	25.00%	30.00%	20.00%
Country				
The Netherlands	5	5	5	4
Spain	5	4	5	3
Denmark	5	4	5	3
Sweden	5	4	5	3
Belgium	4	4	4	3
France	1	2	4	1

rarely contradict or criticise the boss publicly. Decision-making is often a slow and detailed process.

French executives tend to focus on long-term business relationships. Logic will dominate discussions, which at times might become intense. The French won't normally accept anything that goes away from their cultural norm and will avoid taking high risks. The decision making pace in the French business etiquette is rather slow. Patience will be appreciated whereas pressure will be taken negatively. Likewise, aggressive selling techniques will not generate a positive response; the focus is on discussion and exchange of information. Approaching French people via telemarketing we can face the arrogance and unlikelihood to expend the new markets and vice versa when calling to Spain people are more eager not to lose the opportunity to learn something new and improve their business strategy.

After analyses of all the factors mentioned above there are the important things to mention that succeed in creating a business model of success in BBI. It contains 37% of the internationalization factor, 31% of conversion rate of e-mail and telemarketing, 10% of rate of networks, 8% of conversion rate of appointments and 14% of the cultural factor.

$$S = \{0,37 I; 0,3T; 0,1R; 0,08 A; 0,14 C\},$$

Where:

I – Internationalization factor;

T – Conversion rate of e-mail and Telemarketing;

R – Rate of networks;

A – Conversion rate of appointments;

C – Cultural factor.

In order to improve the outcomes and to reduce the loss of clients, to retain the existing clients the company should improve the next KPIs:

To increase conversion rate of telemarketing. New techniques should be found in order to be used and implemented in the existing approach. As we can see telemarketing goes quite well despite it is not the modern one. To increase conversion rate of network, we have to emphasize the role of LinkedIn that helps to maintain good relationship with the prospective partners, clients. It gives an overview for a customer of the size of the company, number of the employees, short history etc.

To increase conversion rate of the first visits. The willingness to improve the existing result could lead to some traineeship and workshops on negotiations, sales and leading the appointments that the project managers can pass.

Cultural diversity remains a huge impact on the business models according to the business etiquette, punctuality, decision-making and open-mindedness to the new opportunities in different countries. For example, when approaching French people via telemarketing we can face the arrogance and unlikelihood to expend the new markets and vice versa when calling to Spain people are interested in assistance from a Dutch company and are more eager not to lose the opportunity to learn something new and improve their business strategy.

The purpose of this thesis was to solve the current problems of global company and answer the research question about «What is a model of success, based on the marketing tools in terms of globalization?»

Firstly, the research provided theoretical basis and hypotheses, as well as overview of globalization effects and definition of global marketing with its marketing opportunities and global marketing threats, marketing tools and practical implementation.

Secondly, the research of this thesis provided information on marketing tools for the business-to-business direct marketing: telemarketing, e-mail marketing, online marketing and its components and networks.

There are listed advantages and disadvantages as well as opinions from perspectives, the tips and recommendations. Among the advantages for the company there are cost effectiveness, increasing of sales, customer retention and good possibility to target, where the advantages for the customer are a good service, discounts, no need for initiative and that the email can be read when want.

Meanwhile, the negative points for company are regulations, the problem that the emails are not opened and the task for making the email interesting. When talking about the challenges for the customer we should consider that the email could be disturbing, have viruses and there was no possibility to end e-mail marketing. There are also practical tips for companies who use these tools.

**Conclusions.** The estimation of existing marketing tools was presented, with ranking and analysis of each of them. After that, there are listed the recommendations on increasing the effectiveness of marketing strategy and improvement of the existing results. Among them there are tips on conversion rate of telemarketing: new techniques should be found in order to be used and implemented in the existing approach, suggestions on improvement conversation rate of networks: to create the manuals on using LinkedIn, to participate in social and business events

with a prepared pitch in order to be able to attract new customers or just simply to get new business acquaintance. It is proposed to expand the new markets and explore the new countries with offices establishment, for example, Poland, Canada, the USA.

To sum up, the research provides good guidelines with a business success formula in the European countries mixing telemarketing, networks, e-mail marketing, direct marketing, rate of appointments and rate of cultural diversity in their business-to-business marketing.

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### СУЧАСНІ МАРКЕТИНГОВІ ІНСТРУМЕНТИ І ДЕТЕРМІНАНТИ В УМОВАХ ГЛОБАЛІЗАЦІЇ

**Анотація.** Сучасний світ характеризується потужними трансформаційними процесами глобалізації, які пов'язані з зростанням економічної, фінансової, соціальної, культурної, політичної, ринкової та екологічної взаємозалежності між країнами. З іншого боку глобалізаційні процеси вимагають суттєвих перетворень при формуванні маркетингових стратегій інтернаціональних компаній. Саме тому метою статті є аналіз факторів підвищення ефективності існуючої маркетингової стратегії за допомогою передових інструментів маркетингу компанії в контексті глобалізації. Відповідно до мети розглядаються наступні цілі: оцінити вплив глобалізації на процеси сучасного суспільства; дослідити маркетингові інструменти з точки зору глобалізації; розробити формулу успіху бізнесу відповідно до структури застосування інструментів маркетингу. Об'єктом статті є трансформація компанії в умовах глобалізації. Предметом роботи є використання сучасних маркетингових інструментів для підвищення ефективності маркетингової діяльності компанії в умовах глобалізації. В роботі проаналізовані ринкові можливості та маркетингові ризики діяльності міжнародної компанії, викликані процесами глобалізації. За допомогою системного підходу визначено детермінанти впливу глобалізації на транскультурну комунікацію. Розглянуто особливості елементів маркетингу між у міжнародному маркетингу. Наведено огляд маркетингових інструментів щодо інтернаціональних компаній, проаналізовано їх переваги та обмеження як для компанії, так й для споживачів. Проаналізовано ефективність та тенденції застосування маркетингових інструментів в діяльності компанії в умовах глобалізації, таких як e-mail маркетинг, телемаркетинг, Networking та онлайн-маркетинг, з урахуванням впливу культурного чинника. Розглянуто деякі регіональні відмінності, типові характеристики, які необхідно враховувати при веденні бізнесу в різних країнах. Запропоновано факторну модель успіху бізнесу відповідно до методу ранжування маркетингових інструментів. Розроблено рекомендації щодо підвищення ефективності маркетингової стратегії інтернаціональної компанії з урахуванням виявлених детермінант.

**Ключові слова:** глобалізація, глобальні ринки, глобальний маркетинг, глобальні маркетингові можливості, глобальні маркетингові загрози.

### СОВРЕМЕННЫЕ МАРКЕТИНГОВЫЕ ИНСТРУМЕНТЫ И ДЕТЕРМИНАНТЫ В УСЛОВИЯХ ГЛОБАЛИЗАЦИИ

**Аннотация.** В работе проанализированы возможности и проблемы для организаций, вызванные процессами глобализации. Определены детерминанты влияния глобализации на транскультурные коммуникации. Выявлены новые тенденции и проблемы менеджмента в контексте глобализации. Проанализирована эффективность применения маркетинговых инструментов в деятельности компании в условиях глобализации, таких как: e-mail маркетинг, телемаркетинг, Networking и онлайн-маркетинг, с учетом влияния культурного фактора. Рассмотрены некоторые региональные различия, типичные характеристики, которые необходимо учитывать при ведении бизнеса в различных странах. Предложена факторная модель успеха бизнеса в соответствии с ранжированием маркетинговых инструментов. Разработаны рекомендации по повышению эффективности маркетинговой стратегии с учетом выявленных детерминант.

**Ключевые слова:** глобализация, глобальные рынки, глобальный маркетинг, глобальные маркетинговые возможности, глобальные маркетинговые угрозы.