

## THE DIRECT MARKETING PLAN - COMPARATIVE STUDY IN ROMANIA AND FRANCE

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### **Abstract:**

*This paper aims to present a comparison between the structure of direct marketing plan in romanian companies and french companies. The article presents the importance of direct marketing plan, on how the plan is put into practice in romanian companies, applying direct marketing. By presenting this comparison between romanian and french models of structure related to direct marketing plan, the study contributes to the correct application of direct marketing plan into practice in romanian companies, considering the model of french companies. The paper aims to emphasize the importance of marketing plan in direct marketing, comparing and analyzing two different systems.*

**Keywords:** *direct marketing, direct marketing plan, direct marketing strategies.*

**JEL Classification :** *M31*

### **1. Introduction**

Marketing planning is the process of identifying marketing opportunities, resources, determining marketing objectives and develop a program to implement and control all marketing activities.

An important component of the business plan, marketing plan is a tool to coordinate all marketing activities.

The marketing plan is the document that specifies all marketing activities that must be achieved and how we made their implementation and control.

Depending on the time period considered, there are short-term marketing plans (up to one year), medium term (1-5 years) and long term (over 5 years). A marketing plan can be made for a company, a product, a brand or a particular market.

### **2. Literature review**

In the literature review, a series of specialists have referred to the importance of direct marketing and direct marketing plan.

So the authors Mary Lou Roberts and D. Gabrielle Berger shows in their study "The management of direct marketing", all the important aspects related to direct marketing, with particular emphasis on the practical aspects. Are presented in this reference book issues related to the planning and implementation of direct marketing programs (Roberts & Berger, 1999).

Also, practical aspects and specific theoretical direct marketing aspects are presented in the book "Methods of success in direct marketing" written by Stone B. and Jacobs R. (Stone & Jacobs, 2007).

The literature review attaches a great importance to the marketing direct mix. So D. Bird describes in detail the specific communication media of direct marketing (Bird, 2007).

The same opinion about the importance of communication in direct marketing is expressed by J. Fiske in his book „Introduction in the communication sciences”(Fiske, 2003).

Veghes C. presented in his work the importance of direct marketing, describes the specific marketing direct strategies and show the most important components of direct marketing plan (Veghes, 2003).

Direct marketing plan has a similar content as general marketing plan of the organization, the major difference is that direct marketing plan describes organizations actions undertaken in the field of direct marketing while general marketing plan coordinates and regulates the intire marketing activity of the organization (Sabou, 2009).

### 3. Methodology and data

The paper presents a comparison between the structure of direct marketing plan in romanian companies and french companies. By presenting this comparison between romanian and french models of structure related to direct marketing plan, the study contributes to the correct application of direct marketing plan into practice in romanian companies, considering the model of french companies. The paper aims to emphasize the importance of marketing plan in direct marketing, comparing and analyzing two different systems.

The main research methods used in the study were observation and documentation.

### 4. Results and discussions

Based on an analysis of romanian and french model of direct marketing plan, the paper made a comparison between this two systems.

Following the observations I reached, I have made a series of conclusions and a variety of recommendations for a correct implementation and application of direct marketing plan, in romanian companies, considering the model of french companies.

A study on direct marketing plan, taking into account observations made in 2015, on how it is done, structured and put into practice in romanian companies, which apply direct marketing, leads us to the next model:

#### **Direct marketing plan - romanian model**

##### **a)Establishing the proposed target**

##### **b)The analysis of the present situation**

##### **c)Direct marketing strategies**

##### **d)Resources**

##### **e)The control and evaluation of direct marketing activities**

Establishing the proposed target includes the following actions: the organization mission and the objectives.

The analysis of the present situation means: short history of the work organization, the characterisation of external environment, the characterisation of internal environment, description of the products, sales evolution, the share of products in total annual sales, customers and SWOT Analysis.

In direct marketing strategies are mentioned: marketing strategic objectives, contact strategy, direct marketing strategies and means used to achieve the objectives.

Step resources involves: establishing of the marketing direct budget, estimating of the budget and allocating of marketing budget. The last step is the control and evaluation of direct marketing activities.

First step in achievement direct marketing plan is establishing the proposed target, thus establishing the organization's mission and objectives ([www.armad.ro](http://www.armad.ro)).

Then follows the description and analysis of the existing situation. Marketing environment analysis involves analyzing of the internal environment of the marketing organization (material, financial, human) and external marketing environment of the organization (microenvironment, macroenvironment) and analysis which shows strengths, weaknesses, oportunities and threats of the organization (SWOT analysis).

The objectives of the direct marketing plan must be in accordance with general objectives of the organization. The target of the direct marketing plan is represented by individual organization customers.

In order to achieve direct marketing campaigns, the company will own and use two kinds of data: consumer profile data (grouped by a number of criteria: geographic, demographic, behavioral, psychographic- personality, life style, attitude) and identifications dates.

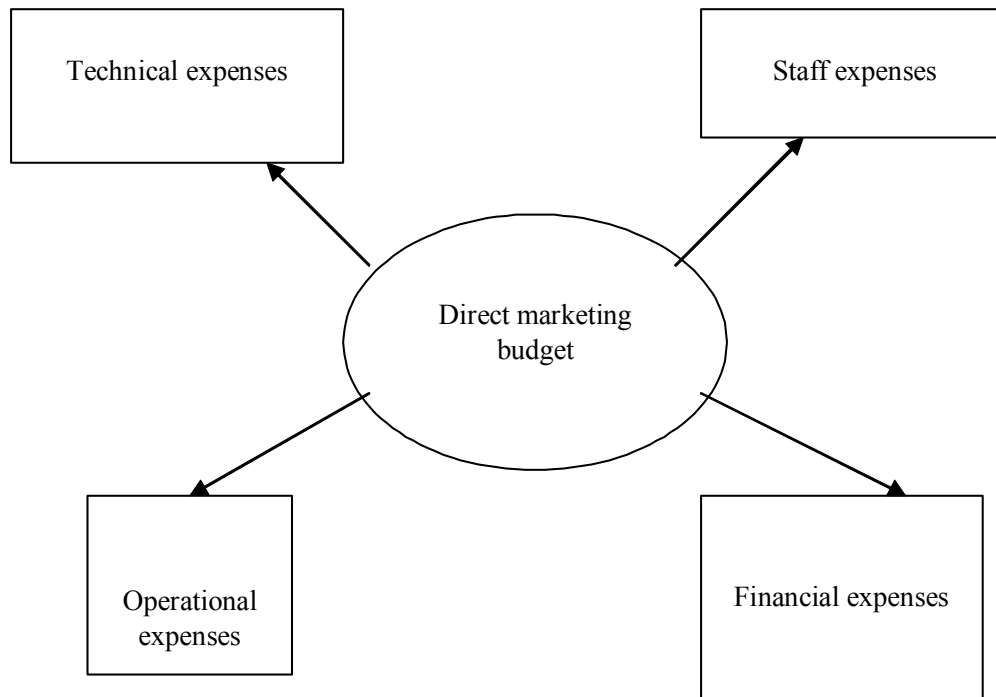
Direct marketing strategy consists of many specific strategies chosen by the organization to achieve objectives through direct marketing plan (Sabou, 2010).

Through contact strategy the company establishes media, specific media communication and messages, the company will use (catalogs used in mail campaigns, pages or websites, consumer packages sent by direct mail

campaigns, pages used in videotext or teletext networks, telephone messages used in telemarketing campaigns, prerecorded messages used in audiotext services, banners or electronic newsletters).

The budget of direct marketing plan includes all the required expenses in order to achieve direct marketing plan.

Figure 1 Direct marketing budget



Source: Veghes C., (2003), *Direct marketing*, Uranus Publishing, Bucharest.

The main groups of expenditures from the direct marketing budget are:

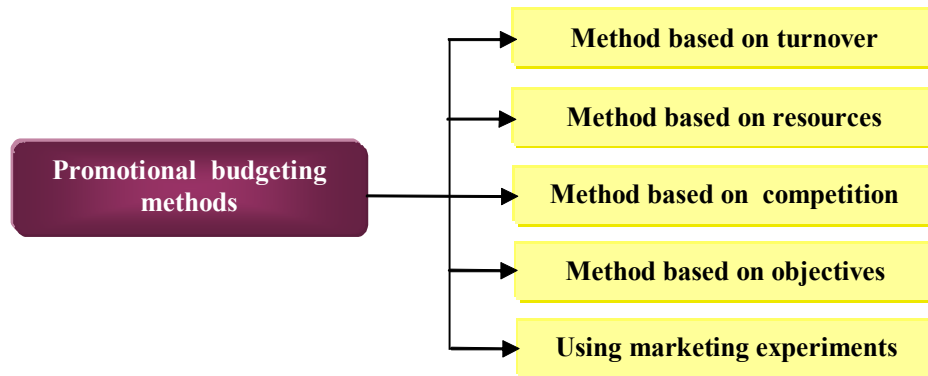
- Technical expenses – all the expenses incurred by the purchase of equipment and technologies needed to implement direct marketing plan (expl. for technical support of telephone marketing activity – creating a call center or to provide the support for the use of the internet – purchasing of computers and software needed);
- Staff expenses;
- Operational expenses – are represented by external services providers (expl. purchase of rental databases, providing logistical support by an external provider)
- Financial expenses – has a small share in the budget (expl. interest related to the acquisition of technology or equipment leased or bank loan (Veghes, 2003);

Determination of promotional marketing budget can be done using the following methods:

- Method based on turnover;
- Method based on organization's resources;
- Method based on competition;
- Method based on objectives and promotional ways;

Method based on marketing experiments involves allocating a budget using the results of marketing experiments, according to this method is allocated an initial budget using one of the methods above and then this budget is modified, according to the results of direct marketing campaigns (Pistol, 2007).

Figure 2 Promotional budgeting methods



Source: Pistol Gh. M., (2007), *Marketing*, Romania tomorrow Foundation Publishing, Bucharest.

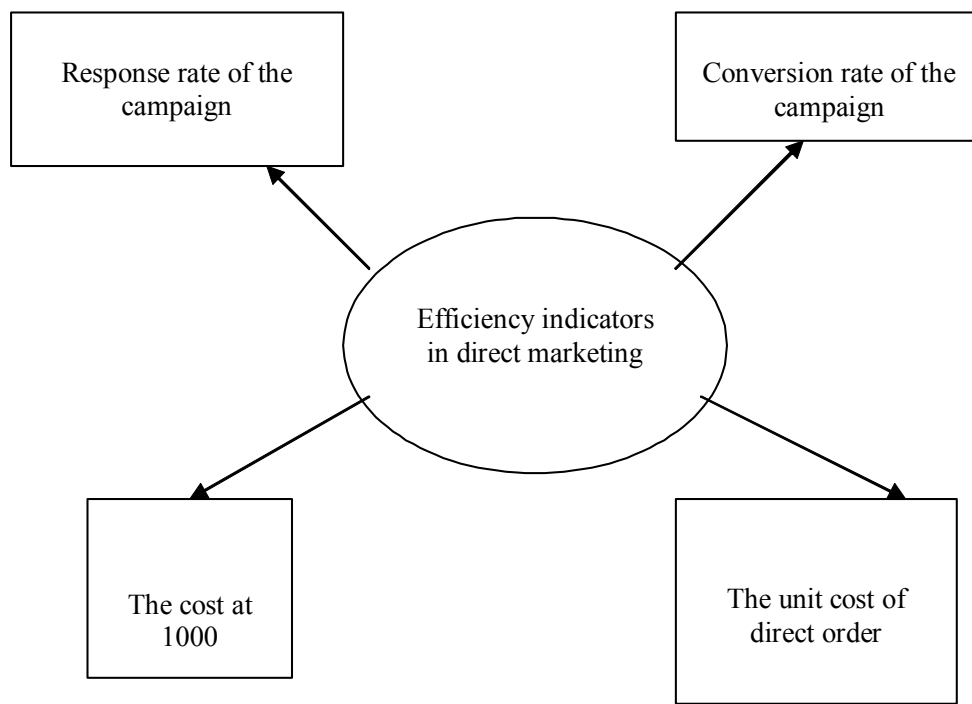
The elements of coordination, control and evaluation are very important in creating and implementing direct marketing plan.

The control activity should be performed periodically and where IT support allows, at short times intervals. The control of direct marketing activity can be improve by conducting the direct marketing audit.

In order to assess the efficiency of actions and direct marketing campaigns using a series of efficiency indicators, such as:

- response rate of the campaign: represents the percentage of the number of reactions generated in relation to total number of targets covered by the campaign;
- conversion rate of the campaign: represents the percentage of the number of consumers who ordered (purchased) direct the product, which was the subject of the campaigns used to assess the efficiency of communication media;
- unit cost of direct order: express direct marketing expenses incurred to generate a direct command from consumers (Veghes, 2003).

Figure 3 Efficiency indicators in direct marketing



Source: Veghes C., (2003), *Direct marketing*, Uranus Publishing, Bucharest

Depending on communication environment through which is direct marketing is realized, there are specific indicators that assess the efficiency of actions and direct marketing campaigns. For example, in an email marketing campaign, specific indicators are:

- Opening rate, represents the number of opened emails in the total number of delivered emails;
- Rendering rate is a new indicator in email marketing, it represents the number of subscribers who opened the email with all uploaded images;
- Interaction rate, represents the effect it had on that email to subscribers. This indicator is divided in: the rate of clicks, reading rate, unsubscribe rate, forward rate, spam complaints.
- Conversion rate, is the most important indicator of email marketing campaigns, depending on the type of email sent, this rate may represent the number of sales, software downloads, catalogs, materials, completed questionnaires etc. (<http://romaniancopywriter.ro/e-mail> marketing).

In romanian companies, the direct marketing plan is realised by the direct marketing department, having the following composition: analysis of the organization's marketing environment, plan objectives, intended target through the plan, direct marketing strategy, contact strategy, plan and budget coordination elements, control and evaluation.

In his paper "Le guide du marketing direct" the author Jean-Louis Ferry shows the components of direct marketing plan from some french companies, using this model:

**a)General objectives of the company**

**b)Marketing objectives**

**c)Marketing strategies**

**d)Implementation of the strategies**

**e)The control** (Ferry J. L).

The author noted that to be efficient this plan shall be applied in two levels: for each product and given an overall framework.

Applying direct marketing plan in french companies, for a product, involves using four documents in four planes (Ferry J. L.):

**A)General information plan**

**B)The promotion plan**

**C)The management plan**

**D)The budget plan**

## 5. Concluding remarks

The study aimed to reflect the most important theoretical aspects on the models of direct marketing plan, used in romanian and french companies.

By presenting the french model of direct marketing plan, the paper contributes to the correct application of direct marketing plan in romanian companies, with optimal results in practice.

Analyzing this two models of marketing direct plan, romanian and french, I noticed that there are many common issues. There are some common stage in this two models, such us marketing strategies and the last step - the control. Also, we can observe in french model the importance given to the objectives, there are two steps in the french direct marketing plan treating the objectives: general objectives and marketing objectives.

Also, the french model assume the work with four documents in four plans: general information plan, promotion plan, management plan and budget plan. All this documents enable the harmonization of objectives and company resources.

From the french model we can learn about the importance according to the objectives, in a company.

In my opinion, the romanian companies must inspire from the french model, working with four documents in four plans and according importance to the objectives, in creating the direct marketing plan.

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