

MODERN ASPECTS OF ORGANIZING THE MARKETING ACTIVITY

In today's case of uncertainty, technology adoption and changes in channels of communications new tools for marketing smarter and engaging customers more effectively are needed.

The analysis of recent publications of I. Radhika, E. Landry, B. Davis and others shows the relevance of modern models of marketing organization.

The goal of the article is to analyze traditional marketing organization types and generalize modern approaches to organizing the marketing activity.

Marketing management includes analysis, planning, conducting events and monitoring the implementation of activities aimed at establishing, strengthening and maintaining profitable exchanges with target customers in order to achieve the necessary levels of sales, profit and market share [1].

For achieving the objectives, it is essential that marketing activities are properly implemented. Proper implementation requires a good organizational set up where authority and responsibilities are properly delegated.

According Radhika I. [2] marketing organization is a framework for planning and executing decisions in marketing activities. It is a group of marketing people working together in a coordinated manner to achieve pre-determined marketing objectives.

Organization of marketing activities includes [1]:
construction (improvement) of the organizational structure of marketing management;
selection of marketing specialists (marketers) of appropriate qualifications;
creating conditions for the effective work of marketing services employees (organizing their jobs, providing the necessary information, office equipment etc.);

organization of effective interaction of the marketing department with other departments of the organization.

Formation of marketing organization depends upon different factors, that was considered in [2], [3], [4].

According to [8] the form of marketing organization are formed under the influence of two factors:

the goals that the company faces;
the external and internal conditions in which the company operates.

Radhika I. in [2] has identified following factors influencing size of marketing organization:

1. Management's Philosophy.
2. Type of Product.
3. Product Line.
4. Markets.
5. Channel of Distribution.

6. Needs and Requirements of the Customers.
7. Business Conditions and Environment.
8. Sales Activity.

The research [4] finds that the nature of the marketing organization derives from four key elements:

1. Scope.
2. Decision Rights.
3. Capabilities.
4. Organizational Linkages.

A marketing organizational chart helps marketing employees to quickly find their target workmate as well as showing key roles to the whole company.

In scientific literature there was considered different marketing organization types that fully or partially accounts abovementioned factors and elements.

The B.Davis in [5] distinguished six types of marketing organizational structures, which can be attributed to traditional marketing structures:

- product-focused organizational structure;
- geographically-focused organizational structure;
- channel-focused organizational structure;
- functionally-focused organizational structure;
- segment-focused organizational structure;
- customer journey-focused organizational structure.

The pros and cons of different organizational structures were generalized in the Tab. 1.

Table 1
Strengths and weaknesses of traditional marketing organizational structures

Strengths	Weaknesses
Functionally-focused organizational structure	
Ease of management, high maneuverability, lack of multiple subordination, functional unity and specialization of the work of units, increasing creativity and quality of execution of each function, contributing to increased efficiency.	Reducing the quality of work while expanding the product range. Weak flexibility of the strategy, focus on achieving the current effect, and not on introducing innovations. Lack of planning for the sale of specific products in specific markets.
Product-focused organizational structure	
Full marketing of each product, flexible response to market requirements. The ability to study the specific needs for different products. Versatility and interchangeability of specialists.	A wide range of responsibilities of one employee makes it difficult to grow his qualifications. Duplication of functions, "weighting" of the organizational structure, increase in staff costs.
Market-focused organizational structure	
Better coordination of services and the ability to develop a comprehensive	Complex structure. Low degree of specialization of the work of departments.

market entry program. More reliable market forecast taking into account its specifics.	Duplication of functions. Poor knowledge of product nomenclature.
Product-market-focused	organizational structure
The best organization of work when entering the market. Ability to develop a comprehensive program to enter the market. More reliable market forecast taking into account its specifics. Fairly complete knowledge of the product.	The high cost of maintaining the structure. The possibility of conflict with the ambiguous resolution of issues on the same market by different departments (intersection of marketing results).

Let's consider the contemporary marketing organizational structures that are popular in famous companies (Tab. 2).

Table 2

Contemporary marketing organizational structures*

Type	Features
Elastic organization	Marketing Operations professionals oversee the complexity of the marketing tech stack, IT integration, hypothesis testing, and optimizing customer experiences in the product. 1.Flexible structure allows for adding headcount and/or functions seamlessly as the company's product mix evolves. 2.Much of the marketing organisation flows through Product Marketing Managers (PMMs). 3.PMMs partner with functional experts in other sub-departments.
TOFU Organization	1.This is a team built to scale top-of-funnel ("ToFu") growth, with content marketing as the largest group, followed by advertising and product marketing. 2.Tight alignment with the creative team is key – the head of the creative team reports to the CEO, and the department straddles both marketing and product.
Inbound Organization	1.Focused on providing a buyer-driven inbound experience. 2.Adds value through content and contextual marketing (e.g., dynamic, smart site pages and content based on a prospect's relationship to the company). 3.Steeped in buyer personas and delivering experiences tailored to those personas. 4.Content as a dedicated function allows it to serve multiple internal "clients" (demand generation, PR, sales enablement).
Funnel Focused Organization	1.Team 1 manages relationships with the top 50 publications and places Forrester analysts to speak at industry events. 2.Team 2 focuses primarily on demand. 3.Team 3 manages product collateral for the sales team and the production of anything that carries the Forrester brand.
Creative Organization	1.Marketing, merchandising, and creative align to provide company members with a fully integrated, seamless shopping experience. 2.Marketing is organized by disciplines (such as acquisition, PR, or social) across each business category (e.g. fashion, home, travel).

Culture Organization	1.In this flat organization, everything is based on merit. Very few titles exist – only team names. 2.The goal of marketing in this org is to transfer the culture everywhere, in the product that's built, the marketing assets used to drive awareness and adoption... even internally. 3.In this org, more than just defined "marketers" take part in marketing. The entire company is expected to uphold the culture of the company, whether through offline events, social media, or one-to-one user interactions.
Customer Organization	1.Built with a focus on the marketing funnel, from awareness-based branding to lead generation and nurturing, to customer retention. 2.The bottom of the funnel receives a great deal of attention, as the "Customer 4 Life" team exists specifically to nurture and retain existing customers. The team's goal is to improve customer success on existing products (i.e. retention) while upselling new features. 3.Marketing Ops supports the rest of the organization.

*generalized by authors on the basis [6]

All types have unique strengths, and each is appropriate to particular types of companies in certain external environment.

Although many marketing organizations profess to fulfill most or all of these functions, they tend, in practice, to gravitate into only one of these roles. Knowing which type of marketing organization exists within a company is thus a critical first step. Then, the challenge is to understand where the company is heading and make sure the marketing team is configured properly.

Bibliography

- [1] Управление маркетингом и организация маркетинговой деятельности [Online]. Available: <http://www.grandars.ru/student/marketing/organizaciya-marketingovoy-deyatelnosti.html>. Accessed on: January, 15, 2020.
- [2] I. Radhika, Marketing Organisation: Meaning, Need, Factors, Structure and Essentials [Online]. Available: <https://www.businessmanagementideas.com/marketing/marketing-organisation-meaning-need-factors-structure-and-essentials/17982>. Accessed on: March 10, 2020.
- [3] Организационные структуры маркетинга [Online]. Available: <http://libraryno.ru/10-3-osnovnye-tipy-organizatsionnyh-struktur-marketinga-market/>. Accessed on: January 15, 2020.
- [4] E. Landry, A. Tipping and B. Dixon, Six Types of Marketing Organizations: Where Do You Fit In? [Online]. Available: <https://www.strategy-business.com/article/r00025?gko=b88a3>. Accessed on: March 10, 2020.
- [5] B. Davis, The six types of marketing org structure [Online]. Available: <https://econsultancy.com/the-six-types-of-marketing-org-structure/>. Accessed on: March 9, 2020.
- [6] 7 Types of Marketing Organization Structures [Online]. Available: <https://www.modernmarketingpartners.com/7-types-of-marketing-organization-structures/>. Accessed on: March 10, 2020.