Analysis of the usage of modern marketing strategies in commercial logistics

Annamaria Behunova
Technical University of Košice, Faculty of Mining, Ecology, Process Control and Geotechnologies, Institute of Earth Resources, Park Komenského 19, 042 00 Košice, Slovak Republic, EU, annamaria.behunova@tuke.sk

Lucia Knapcikova
Technical University of Košice, Faculty of Manufacturing Technologies with a seat in Prešov, Department of Industrial Engineering and Informatics, Bayerova 1, 080 01 Prešov, Slovak Republic, EU, lucia.knapcikova@tuke.sk (corresponding author)

Arina Vechkileva
Technical University of Košice, Faculty of Mining, Ecology, Process Control and Geotechnologies, Institute of Earth Resources, Park Komenského 19, 042 00 Košice, Slovak Republic, EU, arina.vechkileva@tuke.sk

Keywords: modern marketing strategies, logistics, commercial logistics, competitiveness.

Abstract: In modern marketing, analysing and acting on buyers' needs is very important. Companies try to listen to the opinions of consumers because "they are always right". Marketing for commercial logistics plays an important role. All the goods in the world are transported by air, sea, pipeline, road and rail. Based on this, large logistics companies that need customer orders and customers who need their services use modern marketing strategies to sell their services. The consumer wants the company to do everything for him at the highest level. He does not turn to the first company he meets but evaluates the market and chooses the best one. The success of the company depends on which strategy the company chooses. Therefore, analysing these strategies is important for society, and only after analysing many examples used in the modern world will it not make a mistake in its choice. The research aims to analyse the innovative marketing strategies companies use in commercial logistics to sell their products and services successfully. In total, five modern marketing strategies were analysed, which are diametrically different and, due to their uniqueness, specific to different types of companies.

1 Introduction

Marketing is a foreign English word from the word we all know as "market." Otherwise, marketing can be considered as actions related to creating a market. When the word marketing began to be used frequently, after a short period, words related to marketing began to be used, such as marketing tactics, marketing strategy, marketing research, and many other expressions [1]. Marketing originated in the United States in the late 19th century and gradually developed during the 20th century. During this period, it went through developmental phases. There were 6 phases of development (Figure 1) [2]:

![Figure 1 Six phases of marketing development](image)

Marketing of the future – modern marketing strategies emerged gradually with the arrival of the new economy and a new attitude of companies towards their customers. The customer has become a determinative factor in production, transportation, and service provision, to which companies and entrepreneurs have had to adapt, including by implementing modern marketing strategies [3,4]. Modern marketing strategies differ in the approach and level of using innovative technologies, customer relationships, and services that companies offer their consumers [5,6]. Some of the most well-known and commonly used modern marketing strategies include:

- **Experiential Marketing** – it aims to promote the product through its features and benefits and connect it with an interesting and unique experience. The main idea of this marketing strategy is not to sell the product but to show how this particular brand of product chosen by the customer can enrich the consumer's life [7].
- **Guerilla Marketing** – we can classify it among the unconventional forms of marketing, which aim to
attract potential consumers so that they do not even realize that it is a promotion or advertisement, of a certain product or service, at the lowest possible cost. The basis is to be original, to have an original idea with an even more original implementation [8].

- E-marketing – we can classify this marketing strategy among the most modern. It has great potential, as today's time is full of information and communication technologies, and this strategy is mainly oriented towards online purchasing products and services [8,9].

- Product Placement – the strategy is based on placing the products of a certain brand directly in the content of a television program, film scene, or other media where this product is presented, either visually or verbally. In this way, the seller does not "annoy" the final consumer with advertisements that directly interrupt the TV program or film. Still, by watching his favorite program, the viewer subconsciously notices the products in the film [8].

- Aftermarketing – describes the new thinking that reminds marketers of the importance of building lasting relationships with consumers to extend their "lifetime" to the business. It also points to the need for a more balanced allocation of marketing funds to acquisition activities (such as advertising) and maintenance activities (such as consumer communication programs) [10].

- Word of Mouth Marketing – is popularly called word of mouth in the age of social networks. They were always there, so information was passed from one person to another based on referrals [11]. It is a viral communication program) [10].

- Mass Customization – a form of production of goods and services intended for a (relatively) large market that can satisfy individual customers' individual requirements at costs that roughly correspond to the costs of making a mass-produced standardized product [13].

- Relationship Marketing – the goal is to go beyond specific products or services to achieve stronger consumer relationships. Through this type of marketing, company managers try to create a bond between customers and products, as they realize that consumers are the key to the business's long-term success [14].

**Commercial logistics**

A business is not a simple system but rather closely linked to its external environment through input and output flows, such as materials and information. Optimizing and integrating these external and internal flows is necessary to succeed in the market, which can be achieved through commercial logistics methods [15]. Commercial logistics is a relatively complex science that encompasses many functions. First and foremost, planning, distributing, controlling, and managing material flows is important, which are always linked to information and financial flows [15]. It absorbs various functional areas of business - purchasing, inventory, information, storage, transportation of products, and many other areas related to this particular type of logistics [16].

Commercial logistics is a relatively new direction that supports resource and product flows in production and circulation [15]. Speaking of the main goal pursued by logisticians, which is first and foremost the maximum combination of material and technical supply, followed by choosing a strategy for selling the product at a more favourable price through wholesale or retail sales, transporting various goods, which is a rather expensive process that also requires reprocessing, which concerns the information that must also be transmitted, for example, about the movement of goods, etc. [15]. The subject of commercial logistics covers the production and commercial cycle at two levels, macro and micro, which develop the most optimal methods of quality management of material, information, and financial flows [15,17]. The main problems that commercial logistics addresses in each of these areas are [15]:

- Inventory management - it is crucial to properly plan material inventory, which allows the company to quickly adapt to changes in demand, ensuring stability in the product distribution channel.

- Procurement - purchasing raw materials, materials, and semi-finished products must be carefully planned to ensure that suppliers can deliver the required quantity on time according to the company's plan.

- Product transportation - when it's time to deliver your product, which many people may be waiting for, questions arise about choosing the right transportation method, then develop a customer service schedule that satisfies everyone and ultimately deliver this product from the warehouse to the consumer.

- Warehousing - this includes the convenient location of warehouses, which is also very important for the comfortable arrival of large vehicles and the packaging of stored materials and goods.

- Information is one of the important points because it deals with processing orders, which are the "bread" for the company. Because if there are no orders, a company crisis occurs [17].

The basic principles of commercial logistics include costs and quality, which always prevail over quantity, time, and location [15].
2 Methodology

In the context of the marketing concept, three key resources are important:
1. People/employees.
3. Technologies.

Marketing research is based on the knowledge of various scientific fields, such as mathematics, statistics, economics, psychology, computer science and others. Technical development contributes to this to a great extent, especially in the field of information and communication systems (Figure 2).

![Figure 2 Key Marketing Resources](image)

The methodology of applying marketing to a company can be understood as a sequence of related activities or logically arranged steps. The basic steps are:
1. Defining the research problem.
2. Data sources.
3. Methods and techniques of data collection.
4. Determination of sample size and selection.
5. Data collection.
6. Data processing and analysis.
7. Presentation of research results.

Applying marketing to the company is one of the key activities that shape the company's main goal. It also reflects the needs of the target audience-customers, from the most general level to the targeted/customized level.

3 Results

The result of the analysis we conducted is an overview of logistics companies that use innovative marketing strategies in practice. Not every strategy may be suitable for a company. Therefore, it is all individual. Company managers have the difficult task of choosing a strategy for their company that will work for the benefit of the company. A marketing strategy is necessary to achieve excellent results in the competitive market.

The research was focused on five innovative marketing strategies in practice.

Guerrilla marketing – this strategy is bold. Companies using this strategy receive criticism from their competitors. The peculiarity of this marketing is secrecy, it is used inconspicuously, but people subconsciously see it and remember it. The money spent on this marketing is average. Still, there is one peculiarity, only companies with talented marketers who are creative in promoting the company will achieve the result of this marketing. Small and medium-sized businesses often use this type of marketing; one of the reasons is the lack of money for advertising, but large companies also use it. This type of marketing requires eccentricity to attract most people's attention to the art of presenting this marketing. The manuscript describes logistics companies such as "DHL" and "FedEx"; these companies are competitive and large, and their services are used almost worldwide. "FedEx" is a bold and "arrogant" company with many competitors. Their slogan, visible on vehicles or aeroplanes of the company, "Always First", shows potential customers that they do their job faster than other competing companies. (Figure 3).

![Figure 3 Guerrilla marketing of "FedEx" against competitors "DHL" and "UPS"](image)

One of the company's "DHL" marketing strategies is also Guerilla marketing. As it competes with such large companies as "FedEx" and "UPS", it must "defend" itself so that people see its importance in the market and use its services. Large companies, such as those mentioned above, invest a lot of time, energy, and money in promoting their products and maintaining their brand in the competitive market (Figure 4).

E-marketing – a strategy that is very popular among large companies because they can spend a lot of money on online advertising. This strategy is undoubtedly effective because it uses the internet, which almost everyone can
access, which is a great advantage. It is mainly used through online stores, social networks, and YouTube. Companies grow faster with the help of email marketing. They communicate with their customers without even seeing them. For example, “Alibaba Group” and “AliExpress” are Chinese companies that sell various products. These companies use e-marketing. They have created online stores through which they sell their products. In these online stores, everyone can browse and choose the product that suits them and that they need. Their responsibilities include selling goods and delivering the product to the customer worldwide, and the delivery cost is minimal or even free, depending on current discounts. Aliexpress constantly offers its customers promotional actions and discounts on various products, attracting many consumers. Figure 5 shows how the company offers another discount on women’s dresses, up to 70%, a large selection of models, and free delivery.

In a short period, companies of this type have expanded on the market, and their competitor has also become Amazon, one of the best online platforms for selling and delivering goods worldwide. The larger the company and the larger the range of products, the more successful it is. E-marketing helps companies expand their possibilities. Alibaba Group advertises in its online store “Latest Consumer Electronics.” Its essence is to attract customers to buy the latest electronics, which many are interested in. For example, as we see in Figure 6, virtual reality glasses or new headphones with excellent sound quality, many want to buy these things, but only some things can be bought at an acceptable price. Still, it is possible in stores like “Alibaba” and “Aliexpress”.

---

Copyright © Acta Logistica, www.actalogistica.eu

---
Figure 7 shows how Amazon uses beautiful images on its online store, displays products of the day on the store's homepage and new products that have just arrived to attract potential customers and writes: "Discover millions of products and enjoy free shipping". By this, they mean that they have products for everyone. Another big advantage is the free shipping of these products worldwide right to your doorstep.

Relationship marketing is characterized by building strong and long-lasting customer relationships that are beneficial and pleasant for both parties. Companies utilizing this type of marketing will eventually have a good reputation. For example, DACHSER works individually with each client, much like business partners who make the best decisions for both parties. This is the main aspect of such a relationship between the company and the client, which is suitable for both parties. Therefore, there is a long-term interaction between them. The company supports customers in the purchasing and sales market, another aspect of successful cooperation. The company has a service called "DACHSER Contract Logistics", which large companies can use to manage their goods. They trust DACHSER because the company manages the storage of various goods in its warehouses. The company performs its logistics work at a high level of quality, which depends on the needs of its customers (Figure 8).

Another well-known company is the Indian courier company "Blue Dart", which also takes care of its customers by constantly introducing new features to make them feel comfortable. Examples of these new service features include:

- TrackDart - tracking of shipment status.
- MailDart - tracking of postal shipments.
- InternetDart - memory bank for shipments.
- PackTrack - tracking software for medium and large customers.
- ShopTrack is a tracking and CRM tool for e-commerce portals (see Figure 9).

Figure 7 Example of the "Amazon" online store [22]

Figure 8 Service “DACHSER Contract Logistics” [23]

Figure 9 Features for customer convenience of "Blue Dart" [24]
Word-of-mouth marketing, also known as oral or verbal marketing, is one of the most common and cost-effective forms of marketing. It is popular among many companies because it is a low-cost marketing method, especially for startups that are new to the market. If a product is of high quality, people will talk about it and its popularity will grow. Its effectiveness is quite high, but under one condition: if the company does its work efficiently and quickly in the case of logistics companies. Nowadays, when people spend their free time on the Internet and social media, it is easier for companies to distribute their services. Large companies that can afford to buy ads on social media platforms like Facebook, Instagram, and Twitter, where most people are, can distribute their products. People communicate with each other in this way and spread information about various companies and their products. Social media platforms are designed very competently. The information in these ads should be interesting so that people will talk about the product with their friends. In this case, when people communicate, they spread various information like a virus, which can be useful, for example, to the same companies that spend money on advertising on social media and enjoy feedback from people.

Aftermarketing, also known as post-purchase marketing, is a strategy that focuses on building a relationship with the customer after purchasing. Many companies can use this strategy, but they must decide if they can invest their time and resources into supporting their customers after selling their product or service. While a company may initially lose some resources, it can gain customers and a good reputation over time, which is more important than money in today's market. An example of such a marketing strategy is the German logistics company "DB Schenker," which offers service and after-sales logistics aimed at supporting the needs for spare parts and reverse logistics, helping to reduce maintenance and waste costs, as well as minimize costs and extend return times in the most demanding areas of the supply chain. [25]

The company provides the following services [25]:

- Exchange and warranty
- Return to the dealer
- Asset return
- Waste recycling
- Additional services
- Visual and mechanical inspection
- Screening
- Technical inspection
- Logistic services for spare parts are also available
- Timely delivery for end-user supply chain service programs
- Service levels over time
- Storage services and other services such as picking, technical inspection, and packaging
- Consolidation and optimization of transport

The company provides these services after the sale of its goods and services are called after-sales logistics.

4 Discussion

Based on the analysis carried out, it is possible to state the following for individual marketing strategies:

Guerilla marketing is one of the most creative types of marketing, money is not the most important thing here, but the mind, creativity, and in some cases even the courage of the company, even if the company is not afraid of competition, will do aggressive marketing against its competitors. This type of marketing attracts potential customers due to its extraordinary and striking appearance; people like it because the advertisement needs to be more standard and clear.

E-marketing requires quite a lot of money in the initial stage because it needs money to create websites. Every major company uses this type of marketing because it works for today's public, who shop a lot online and see ads online. Television and radio are no longer so popular; it is more interesting to use the Internet. Such marketing is often provided through online stores and, of course, social networks. All companies are trying to break into the Internet, which is a big step for starting and developing young companies, but there is only sometimes enough money for this. Good marketing work should be meticulous concerning the client; if it is an online store, then the company is obliged to deliver the goods to the client on time because he is waiting for him and relies on the services of this company.

Relationship marketing is exactly the kind of marketing that benefits both parties. In this marketing, the analysis of the client's needs plays an important role, which gives the company a starting point, because it will help it to get closer to the client and build the kind of relationship with him that the company needs to support its services in the market. The company should always be open to communication and responsive so the client can see that the company will support and advise on the right choice. Any company can use this type of marketing because it does not require a large investment, but it takes time to communicate with the client.

Word-of-mouth advertising is the type of marketing we encounter most often; it is used through social networks and word of mouth. Initial financial contributions may be average depending on the company's size, but when a company invests in advertising, it will see results quickly in the form of orders. There are several conditions for the productive work of this strategy: a quality product and positive reviews; this will bring the company customers and success on the market. This type of marketing is very widespread, but at the same time, it needs to be aligned to remain a desired manufacturer for potential customers.

Post-purchase marketing, like relationship marketing, is very important for customers. Caring is an inherent part of this type of marketing; it "bribes" customers. When a
customer buys a product, they will be informed that they will have free support after purchasing the product. For example, a warranty for a product or service for repairing malfunctions, a toll-free telephone number where the client will be provided with comprehensive advice on issues of interest to him. Many companies use this type of marketing; there are special departments that help their customers; they try to do their work efficiently to meet customers' wishes. For companies that choose this type of marketing, it is important to support the client at a high level, for positive reviews, spreading information about their product and retaining customers.

5 Conclusions

Many modern marketing strategies help companies promote their products and services. Each strategy has some specifics, so it doesn't always "work" for every type of company. In addition, some strategies help the company and the customers; they mutually benefit. The company's task is to analyze the situation in the market, the situation in the company, and whether the company can afford a specific type of strategy. It is a difficult process, but when the company makes the right decision, it will bring the desired success in the form of new, but also the retention of regular customers.

Five modern marketing strategies were analyzed - guerilla, e-marketing, relationship, word-of-mouth, and after-marketing. Based on the analysis of these strategies, each strategy is unique and has conditions and prerequisites for the company to be effective in the market. However, before implementing a specific marketing strategy, it is necessary to analyze everything in detail. Each company has a choice of many ways to present its product, but its goal is always the same - to sell products or services. Many companies use a combination of strategies to increase their chance of success, as many more consumers can be covered with a combination. But marketing is necessary to develop a company. Big, medium, and small businesses can become competitive and profitable only because customers want quality care at a reasonable price.

References

[18] VIDIM, J.: Reklamy, na kterou by sa nemalo zabudnúť, [Online], Available: https://www.evisions.sk/blog-
Analysis of the usage of modern marketing strategies in commercial logistics

Annamaria Behunova, Lucia Knapcikova, Arina Vechkileva

2016-04-14-reklamy-na-ktores-by-sa-nemalo-zabudnut/ [20 Feb 2023], 2016. (Original in Slovak)


Review process

Single-blind peer review process.