

THE “JS-CHESS PLAYER” STRATEGY FOR PUBLIC MARKETING MANAGEMENT– AN ALTERNATIVE WAY IN THE CRISIS PERIOD

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ABSTRACT

The paper presents the opportunities for applying the public marketing in the relaunching of the Caraș-Severin towns and their turning into attracting towns. The forwarded public marketing strategies are regarded from three perspectives: the perspective of the citizen-customer; the perspective of the sustainable development of towns and the perspective of the investment in a better living standard.

KEYWORDS: *public marketing, public services, public marketing attitude, public marketing orientation, public marketing thinking, attractive town, visual symbol, public event, promotional price, segmented price, psychological price, incentives and discouragements in the public sector, hard components of the marketing mix, soft components of the marketing mix.*

Introduction

The financial crisis has become a leitmotiv of everything that is being done nowadays, both in the private and in the public domain. There is almost no environment without debates on the crisis, from early morning till late at night. Moreover, stuck in these “muddy waters”, both the managers in the central or local public administration and the top managers of the big companies or financial institutions use the crisis as a pretext to reduce the employed personnel, to pay them lower wages, to ask for financial aids from the State etc.

In the “shadow” of the entropy tree in the business world (disorder created “under the very weight” of the excessive success, everything is caught in the fire circle of the rush for two- or three-figure profit, enabling businessmen to transform the free market into a “wild market”, while the marketing specialists keep urging us: „consume, consume... not according to necessities and purchasing power, but according to desires and wishes”. That is how higher credits, higher interests, higher gains have been born and finally ... economic recession

Before these new challenges, the modern economy and the public administration do not possess yet unconventional models of analysis and synthesis characterised by simplicity and anticipation, like the thinking of the “chess player” (JS). [3].

Theoretical fundaments

Almost all the urban localities in the Caraș-Severin county have problems in this period of crisis.

The life and history of seven out of the eight towns of the county have always been linked to mining (Anina, Moldova Nouă and Oravița), metallurgy (Reșița and Oțelu Roșu), machine building (Reșița, Caransebeș and Bocșa) and wood processing (Caransebeș). Only the health - climacteric resort Băile Herculane has developed grace to tourism and services.

Since 1990, the county has gradually lost its industry and now it lacks resources in order to revive its activity.

After 20 years of quests and attempts, the decline of the county towns can come to an end, if they pass from the state of “*acceptable towns*” to that of “*attracting towns*”, both for the benefit of their own inhabitants and of investors and visitors.

But we need a new approach of economic and social life in the county, i.e. we need **public marketing**.

Public marketing means everything the public administration does in order to satisfy the needs and desires of the citizens who constitute the target market..

For the Caraş-Severin towns, the target market can be identified from the following potential markets:

- **Inhabitants** of the county's towns and **companies** that have a business in the area or intend to start one;
- **Visitors** on business tours for investments come to these towns to sell or buy or to participate in a meeting / business conference organised in each of these towns ;
- **Travellers** who come to relatives or friends, as for instance the German ethnic groups who lived in the Mountain Banat and have migrated to Germany;
- **Tourists** who visit the towns or their surroundings.

We may say that public marketing is successful when inhabitants and economic agents are content with their community, and the expectations of visitors and investors are also met. [3].

Moreover, the requirements of the target population are not limited to products or services, but they manifest themselves through [2]:

- The need to be permanently informed;*
- The need to be supported (social aid, minimum guaranteed income);*
- The need to be served and treated correctly etc.*

These needs must be fulfilled at the expected level through the effective and efficient management of public services, done either directly through the very structures of the public administration, or indirectly, through commercial companies based on service providing contracts..

Consequently, the public marketing must be viewed from three perspectives [2]:

1. *The perspective of the citizen-client;*
2. *The perspective of the sustainable development of towns;*
3. *The perspective of the investment in a better living standard.*

From the citizen's perspective, a **marketing attitude** is required.

The marketing attitude refers to the manner in which the representatives of the public administration put themselves “in the citizen's shoes” and are content or not with the public services. If YES” – chances are that citizens are content, and if „NO”- the public services do not pass through the “calibrating gauge” of the promise and factual proofs and thus we cannot speak of a true activity of public marketing. [3].

From the perspective of the sustainable development of localities, we need a **marketing orientation**.

The marketing orientation means today performing only activities able to assure a thorough economic and social development of the locality in the long run. It is the reverse of the traditional orientation when first of all the current activities of the community were managed and only afterwards development perspectives were contemplated.

We can affirm that we assist to the imposing of a new vision on *the successful administration* of the years 2000, suggestively synthesised - through interpretation – in the words of **Guy Serraf**:

“The successful public institutions does not perform marketing because they have money, on the contrary, they have money because they perform public marketing.”

From the perspective of the investment in a better living standard, we need a **marketing thinking**.

The marketing thinking means seeing in all activities and programmes of public marketing an investment and not an expense. Thus all MTIs (marketing methods, techniques and instruments) can be used effectively and efficiently in the administrative practice. Some marketing practices can surely be reconsidered. Thus, the public marketing must be seen as a **process** rather than an extra department in the public administration [3].

Method and results

Few places have or can have it all: *personality, infrastructure, basic services and attractions*.

Furthermore, the above aspects cannot be independent; everything operates as a whole.

Consequently, a specialist in architecture and in the industrial history of a town in the county can support the attraction of tourists and visitors. On the other hand, he can push away important economic agents, insensitive to the industrial aesthetics and to nostalgic impressions.

For instance, in vain we say that Reșița's surrounding are beautiful if the town is overwhelmed by infrastructure problems and the low purchasing power of its inhabitants.

No matter how many facilities we grant for sustained economic activities, they are worthless if **infrastructure** is not repaired and it takes 3 to 5 times longer to arrive to the Timișoara airport, only 110 kms away. [3].

I have pleaded for years (since 1992) for the building of the *Timișoara-Reșița highway*, which can constitute the starting piece of a "*puzzle*" in the harmonious and explosive development of the new county infrastructure through the breaking of the barriers of time and space between the two Banat towns that complete each other so well. In a moment we arrive, as tourists or inhabitants, from plain to mountain, from walking in the pure nature and Caraș-Severin's gorges to the "Traian Vuia" airport of Timișoara from where we can take off to great cities. We need optimisation between the motor and / or railroad transport and the aerial one, in order to circulate locally and to great distances.

Moreover, well-trained and friendly people, cheap labour force and interesting touristic attractions can be of little help in attracting investors if each urban centre of the county has the reputation of a "dying town"

A town can be "attractive" or not, according to the assessment of the dynamics features in the locality development [3], as shown in **figure 1**.

Conceiving the image of the place. An image is a complete set of convictions, ideas and impressions people have in connection to a place. On the other hand, it is not necessary that the images people make in relation with a place also show their attitudes in connection to it. Different people may have different attitudes in relation to the same place. If for its inhabitants, the Caraș-Severin towns are today quiet places, for the "outsiders" the Caraș-Severin county is "poorer and poorer".

Those empowered to form the image have three instruments to implement a new image of a town: *the slogan, the visual symbol and the event*.

ATTRACTING PLACE	
1. There is a positive image of the place;	5. A new activity can be started in a relatively short delay;
2. It has an adequate infrastructure;	6. The labour force is ready for change;
3. It provides the basic services;	7. There is the opportunity of an inflow of new inhabitants grace to life quality;
4. It has attraction elements;	

Figure 1 Features of an attractive town

The slogan. It is the worded formula catching the public and expressing a unitary vision on the place, e.g. Timișoara, the town of flowers; Reșița, the fire city. The latter is no longer appropriate for the town. We need a gradual repositioning of the town image on different topics. The most effective themes are the versatile and flexible ones, but at the same time anchored in reality.

A good slogan assures a basis for the further promotion of the image. We may begin with a slogan stirring curiosity about the Caraș-Severin county such as [3]:

„ Caraș-Severin is different, come and discover it!

The visual symbol. Obviously, no matter how spiritual the message, it must be confirmed by reality. In order to succeed, the image of a place must be consolidated by a *visual symbol* which will remain engraved in the public memory for a long time, such as the famous Eiffel Tower (Paris), Big Ben (London), the Great Wall (China), the Pyramids (Egypt), the Statue of Liberty (the USA).

For each town of the Caraș-Severin county we can find a reference symbol. For instance, for Reșița, capital of the county, the “**Kinetic Fountain**” downtown, the work of the artist Constantin Lucaci, can be a symbol of the harmony between the beauty of the place, the artistic talent of the people in the area and the science to process metals (**figure 2**).



Figure 2 The visual symbol

The event. Events can be spectacular, such as: the “Church patron’s days” in the Mountain Banat, the Gărâna Jazz Festival, the Festival “ The Black Banat Pine Tree” at Băile Herculane, The Teiul Sculpture Camp - Caransebeș, The „Tata Oancea” Festival at Bocșa, The „Golden Bowl” Festival at Moldova Nouă, the Festival „7 days-7 arts” at Reșița, Eminescu’s Days at Oravița, the “Nichita’s Bell” at Caransebeș, the Daffodils’ Feast at Zărvești – Caransebeș, The Lily Feast at Carașova and Rudăria-Anina, the Flowers’ Festival at Marga-Oțelu Roșu. All have the power to influence public opinion to visit and come to each town in the county. [3].

If the slogan of marketing in business is “Satisfaction and value for the customer, in the public sector it is “Satisfaction and value for the citizen”.

In situations of crisis, the consumer's behaviour is no longer a rational one, but is decisively influenced by the perception of risk when buying a product. The new consumption model must act so that needs become necessities, in a “golden ratio” ($\varphi=1.618$) with the purchasing power, and not desires extended to the infinity. This can be done only through a “*phi-marketing*” of moderation in gains and awareness in consumption, in which the 4 hard components (product, price, placement, promotion) will be revived by the 4 soft components: *customising, moderation, communication and awareness*.

Discussions

But nowadays we are no longer living in a world of human needs, but in a world of desires. And money is the only necessary thing for their satisfaction.

In a narrow sense, the price is the amount of money paid for a public service, in a wider sense, nevertheless, the price includes further values called “non-financial costs”, such as time wasted, effort put in, physical discomfort and physical risks towards the easiness of access of public services.

The cost of public services represents the minimum level of the price / tariff. The value the citizen-customer grants it represents the maximum level, and the prices practised by the competition (private companies in the local transport, for instance) and the subsidies determine the real value in the rectangular trapeze of the methods of establishment of prices / tariffs in the public sector.

Consequently, the local administration can apply four strategies for adjusting the prices [1]:

- (1) *The strategy of price cuts* – reduction of parking fees for cars with hybrid propulsion;
- (2) *The strategy of the segmented price* – smaller tariffs for old citizens or poor people;
- (3) *The strategy of the psychological price* – practising housing taxes of the form **99 or fines of the form *125 lei;
- (4) *Strategy of the promotional price* – reduction by 5-10% of income taxes if the are paid until March 15th of the year.

It is necessary also to practice new marketing tactics such as financial and non-financial, discouraging incentives, such as:

- The incentives for encouraging people to move to the country*: if a house is built, no tax for the land; moreover, no taxes for the connection to the water, sewage, electricity and gas networks, no building taxes for the house;
- Incentives for the encouragement of energy saving*;
- Discouragement of the use of plastic bags*: introduction of a high tax for each plastic bag bought. The bags are thrown away everywhere, on the street, in trees, along river banks etc.
- Discouragement of the street and public places soiling*: fines and publicity campaigns under the slogan “Drop it in the street and you’ll pay”.

Conclusions

Nowadays, the manager of a public institution has two main tasks, to solve the problems of the present and to prepare for the future. An optimum condition of a public administration cannot be judged any longer only in a global manner. We need a local (contextual) optimum in terms of time and space, in which there is a fragile balance and which reacts to the smallest environment perturbations. This requirement can be met only by applying a modern public marketing built both on the hard and on the soft components of the marketing mix.

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