

Project Portfolio – Competitive Advantage for Design&Construction Companies Marketing Their Activities

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Abstract

Complex markets, intense competition, advanced technologies, demanding customers and prudent shareholders require marketing intelligent. To understand the markets evolving and how can be modeled in order to identify better opportunities before others, to beat competitors in a much more intelligent than reducing tariffs, to innovate radically in new directions, to establish lasting relationships with customers and provide substantial gains to shareholders, it requires an approach based on exploiting competitive advantage. This is the very dynamic construction market, within its design and construction services.

This paper presents an analysis on marketing methods to attract clients with the main aim of this research to identify the importance of Project Portfolio as a competitive advantage in the construction market whereas companies are constantly challenged to adopt survival and growth strategies, generating "projects" that make them internationally competitive and support winning contracts.

Additional, tools used in marketing design and construction projects and services were studied in order to rank the importance/ position of the Project Portfolio related to volume/ values of signed contracts.

In this higher competitive environment, where companies do their best to adapt changes, how should they market better and effective?

The analysis was performed on top 100 Romanian design&engineering companies and top 100 construction companies, although the questionnaire survey was sent to top 150 companies in the market, but 100 responses were received. Based on the questionnaire's findings, project portfolio, recommendations and ability to further diversify the company's portfolio services were ranked top three identified to attract investors and clients.

Keywords: *marketing projects, project portfolio, construction industry, design and engineering for construction*

JEL classification: *M1, M3*

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Introduction

Design and construction market is dynamic and challenging and companies that demonstrate adaptability, innovation and creativity in architectural and engineering masterpieces realized manage to attract the most performant contracts. Any construction investment involves also design and engineering activities. Construction activity can be broadly divided into two areas, public sector projects and private sector projects. Public sector projects are commissioned by the public authorities like Government, and the private sector projects are developed by private entities.

Design/engineering for construction activity and the return result in the market value remains connection to the entire market of construction, which represents 8% of the GDP of Romania (2014), also the design and engineering market for construction was estimated to more than 950 mil euro in 2014. Trend and predictions for design and construction companies have a reality face in building sites in the medium – long term. Romanian design and engineering service is appreciated worldwide, as a fact the exports of services for this domain was | 651 mil euro in 2013, representing 6.3% in all services exported from Romania. During 2014 the value of construction projects increased on 10% comparing to year 2013 and on 30% during last five years (IBC FOCUS). However, the figures indicate a high risk for a business in this sector, where are over 7000 architects, 4500 companies identified by CAEN 7112 and 7111 for architecture and design services and almost 9000 companies in construction identified by CAEN 4120. (National Architecture Order, 2014) This point, companies have to do their best to attract clients and investors. A better marketing for projects and services/company, more contracts and increased revenues for the shareholders.

Romanian design and construction companies recognize Project Portfolio as driving force of their marketing activity to attract new clients (seen as integrated marketing projects and services).

Urban marketing offers companies the opportunity to position and better promote their projects, services and image. Is the entrepreneurs goal to promote their city to investors and clients. Companies have found a simple solution to be competitive – they improve their marketing methods. When referring to the issue of marketing in construction and architecture very often the notions of marketing projects is brought into discussion. The marketing projects concept is limited discussed in the literature and the importance of Project Portfolio Management for design and construction market is also ambiguously defined. Related to this, the effective tool to use in promoting a company and service in construction market is about project marketing.

So the purpose of this paper is to identify the mainly tools to focus for design and construction companies as a competitive advantage, from top 100 companies in Romanian market point of view, to attract clients and investors.

2. The meaning and importance of marketing projects, marketing services and the competitive advantage of project portfolio for design and construction companies in Romania

2.1 Significance of Romanian construction industry

In 2012 in Romania were enrolled approximately 7,000 architects, of which only 4,909 entitled to sign documentation, according to the National Order of Architects (NOA), the largest share being in Bucharest (over 30% of total construction works nationally). Companies can be easily identified based on CAEN code - 7111 and 7112, Architectural activities and engineering activities and related technical consultancy. From a total of 951,803 active companies in Romania in 2014, only 4,500 are new in design in construction companies, while the construction market operates more than 9,000 companies. Top 50 largest specialized offices generated in 2012 over 50% of the total design local market. According to a Romanian business publication, Ziarul Financiar, from data released in 2014, companies activity is the best indicator of the construction segment in Romania, which is one of the main segment generating added value to GDP. Thus, according to the Romanian Order of Architects (ROA) profit registered by design offices on the local market fell from 29% of turnover in 2007, the industry's peak year, to 5.1% in 2012. (<http://www.zf.ro/companii/arhitectura-o-miza-de-200>)

In the competitive sector of design & engineering within construction industry and facing the lower budgets from the total value of the project directed to their services (up to 5% lower) the companies have to sustain competitive advantage in order to attract investors and clients.

According to statistics on companies operating in Romanian construction market, in 2010 - 2013 (CAEN code 4120) more than 50% of new companies set up were in construction area. Details according to Table 3. New construction companies in total companies registered.

Table 1 New construction companies in total companies registered

| Year | 2010 | 2011 | 2012 | 2013 |
|--|------|--------|--------|--------|
| % | 52% | 51,50% | 53,40% | 55,30% |
| Total registered companies | 3893 | 6447 | 6218 | 3125 |
| Construction companies registered | 2025 | 3323 | 3320 | 1778 |

Source: <http://www.marketing-constructii.ro/in-romania-apare-o-firma-de-constructii-in-fiecare>

Based on assessments in 2014, top 100 construction companies in Romania recorded 30% of total turnover of all construction companies combined.

2.2 Marketing design and construction projects, urban marketing and project portfolio

A common trend in industrial construction, especially for macro projects is to contract the services of a company in design&construction. By integrating design and construction management services in a single organization, conflicts between designers and builders could be avoided. In particular, drawings and building plans will be adapted for the common objective – the construction. In these circumstances, the beneficiary must ensure that it will maintain the desired specifications and make no changes. This relation designer - constructor is legally regulated in Romania, so a beneficiary has to contract two different companies – design and construction – which must ensure that quality is not sacrificed by the desire to reduce the time and cost of completing the project. The advantage of integration is used in construction phases, each built in stages. For the beneficiary is determinant to contract the best designer and the best builder to ensure the success of the project. So how to decide which company to sign the contract? The top 3 companies in the market, the company who worked for the latest project, the company recommended by your partner? How to decide which is the proper? But for those companies that have to decide how to promote their services and projects? The construction market has demands and clients and contractors are the major performers in the industry because they arrange the necessary resources to construct objective in order to meet client's needs and also are important in promoting the development of construction industry.

The process of selling and promoting construction projects starts from the urban marketing – the location of the project is very important. Methods and techniques in marketing urban sustains the efforts to promote projects. According to Patriche (2002), “marketing urban is a source to guarantee success in managing cities activities”. Every project and every architectural design represent for an architect and company a business card, a recommendation. A business representation in the urban map of every city worth more than any marketing commercial or promoting campaign.

The dynamic nature of the construction industry requires companies to have effective and flexible marketing strategies and methods. The project can be seen as a product and is in competition with similar projects on a market where contractors are defined as tenders, beneficiaries, contractors and financiers. From this point of view, the project manager must understand the client as for all direct and indirect entities with which he interacts. For architectural projects the beneficiaries may be different, both public sector (like infrastructure projects) and private sector (office or residential projects). Projects contracting can be directly (in the case of private funding) or by direct competition / tender (if public entities). Promoting projects is important for contractors and contractants for design and construction services acquisition, as they may get the right prices for services and companies involved receive promotion. Promoting the design and construction companies is equivalent to promoting projects and marketing design and

construction firms are actually marketing architecture and construction projects. As a conclusion, marketing is a strategic tool for these companies, fundamental for future project development.

Urban territories can be considered economic goods because they meet the general conditions of goods: the services they provide (administration, ambience) induce economic agents a need for an urban location (site), are a capable means of satisfying the needs of services and it is a relatively rare good (limited number of places available based on economic needs).

The city is the venue of the project with its specifications as an economic good:

- The need for the city is a long-range need that can be met through a collective good use.
- The city is a good that cannot be divided.
- Its usefulness cannot be measured.

The meeting between supply and demand in urban areas leads to a localization of economic activities and urban, so the urban market is the market for design and construction projects. Multifunctional urban market is a market characterized by: is related to a heterogeneous or differentiated product offer (location has its own specifications and integrates seamlessly into the environment); the myriad areas of activity and a large number of bidders determine the character of concurrency; the market has a certain atomicity (urban offers multiply); market is a pretty perfect place providing for each bidder access to the projects; the market has a certain opacity (marketing projects and territorial marketing contribute to the establishment of policies and urban strategies); market mobility implantation.

The Chartered Institute of Marketing adopted the following definition of marketing, which can be applied to both business to business and business to consumers “marketing is the management process responsible for identifying, anticipating and satisfying customer requirements profitably” (Pearce, 1992). This definition can be applied to business to business in construction and design services, directly related to construction and design companies needs to promote their services. Both services and project involves promotion to attract clients and investors. So the companies must understand the Project Portfolio Management and Service Portfolio Management as their valuable assets in marketing intelligent. Project Portfolio Management involves “identifying, prioritizing, authorizing, managing, and controlling projects, programs, and other related work, to achieve specific strategic business objectives”, while Service Portfolio Management “governs the investments in services based on the business value that the services provide Both Project and Service Portfolio Management are similar as they seek to maximize return on investment (ROI) through prioritization and governing the investment”.(Lo, Robinson, 2010) The difference is between projects versus services that are managed.

What is the effective to manage and better promote – services or projects? This is the question for the marketing team in construction industry. Some authors

in construction management literature appreciate a better offer as the winning advantage. Park argues that while the awarding of contracts for building construction work on the basis of competitive bids offers advantages to both owners and contractors, many of the industry's problems can be attributed directly to the practice of making price the sole criterion. Another authors, Owusu, Skaates, Tikkanen&Lindblom, appreciate relationships with customers and other partners are a promise for future business in the strategic management of project business. (Owusu, 2003; Skaates, Tikkanen&Lindblom, 2002). This relationships with customers provide future opportunities to be recommended when inviting suppliers to tender projects. Marketing and relationship is the key success to set a better place in a competitive market. Combining the approach of relationship management in project marketing and the management of project portfolios contributes a novel viewpoint to project marketing. Into a market facing difficulties to attract investors, companies have to prove their best to highlight their competitive advantages. According to Porter, "competitive advantage grows out of value a firm is able to create for its buyers that exceeds the firm's cost of creating it. Value is what buyers are willing to pay and superior value stems from offering lower prices than competitors for equivalent benefits or providing unique benefits that more than offset a higher price. There are two basic types of competitive advantage: cost leadership and differentiation". (Porter, 1985) Marketing construction and design services is identified as marketing both projects and services, relationships and competences, events and fairs presence, marketing online, team empowerment and architect's brand. But for the marketing team remains the question – the most effective activity to attract clients and investors?

2.3 Literature review

An essential lesson of project marketing in construction is that competencies are the roots of competitive advantage and marketing should be focused on portfolio of competencies (capabilities). Service portfolios should be based on core competencies, with core services being the physical embodiment of one or more core competencies. Thus, core competence allows both focus (on a few competencies) and diversification (to whichever markets firm's capabilities can add value). Marketing practitioners recommend that focus be directed towards promoting maturity team model, branding, creating an vector of image among the project team and relationships with clients. Architectural and construction projects need a place to settled up, and that place is very important for the investors and clients. Related to the place, is the urban marketing defined as an approach to develop urban space conditions with the goal to conquer urban communities, based on potential needs analysis and substantial tender proposals. Petrache (2004) considered "urban marketing is not just the promotion of the image of the city, it is related to all sides of the city as a system:

- The city as a character - strategies should enhance attractiveness by creating aesthetic, style.

- City as environment - building basic infrastructure compatible with the environment.

- City service provider – core services development at parameters of quality and comfort required by urban suppliers.

- The city as a place of entertainment and recreation - equipped with attractive cultural facilities for residents and population attracted (tourists, students)”.

- Baudin analyzed origin, quality character, modernism and urban marketing contradictions considering as a starting point decentralization phenomenon and as a result the city character, urban communication acceleration and enabling a competitive arrangements. (Petrache, 2004) Facing the international industry of construction and the economic trends, there is another important concept – territorial marketing which its objective is development of certain regions and integrates activities that should develop resources and specific values of an area and promote them outside. The main results are attracting investments, developing an attractive image and increase internal cohesion and economic functionality. Design and implementation of territorial marketing strategy implies the a large number of public and private actors, united in a networked system that gradually curdle. Framework represented as the project market may vary from region to region, considering local variables (level of development, types and characteristics of actors, involving local communities, political and cultural contexts). Territorial marketing strategy is based on local policy and governance capacity for innovation through cooperation in a strategic alliance with all key stakeholders. The marketing concept applies perfectly to the construction and design projects (identified by marketing mix - 4Ps: Project, Place, Price, Promotion) for which we can distinguish two situations:

- Marketing the project

- Marketing project’s results (project objective).

The project is subject to competition on the projects market and should support the specification and positioning features. Construction market is wide general, but according to specialty projects may be shrinking.

Marketing strategy has various methods that apply in construction industry as well. In construction industry is hard to identify brands name and is something that construction and design companies haven’t looked at, due to the fact that brand is not as high as in consumer market. By associating with a brand, clients expect a standard in service and its importance is to generate awareness. Pettinger (1998) looks at the importance of advertising within construction companies who have to target the consumer when the consumer is the direct purchasers, especially for housing extension, refurbishments and home improvements. Smyth (2000) suggested that advertising is under-used in construction especially given the symbolic importance of some key buildings and projects, and companies could benefit more from their image. Advertisements in industry publications is considered by construction companies because it is not that expensive. Construction industry must communicate values, expertise and successes of the companies within and be relevant. Exhibitions, trade shows and seminars provide companies the perfect

opportunity to target potential clients and increase awareness, because they gather together buyers, sellers and competitors.

2.4 The importance of project portfolio and project portfolio management in construction

Archer and Ghasemzadeh (2000) consider “project portfolio management as the process of selecting projects which do not violate constraints or exceed resources. Directly related to this subject is sustainable development as “meeting the needs of the present generations without compromising the ability of future generations to meet their own needs”. (Brundtland Report, 1987). According to Cooper et al (2001) and Iamratanakul et al. (2009) the three goals of project portfolio management are maximising the value of a portfolio (MVP) using optimization techniques, achieving a balanced portfolio through visual tools, and aligning a portfolio with business strategy. Construction companies invest in a variety of projects, considered a portfolio of projects and Kangari and Riggs (1988) observe that when a construction company invests in many projects, a diversified portfolio of projects poses less risk than the average of individual projects considered alone. A project portfolio is a collection of projects managed by the same company with the same resources. The success of projects is related to their contribution to the organization’s strategy.

3. Effective methods to attract clients and investors

3.1 Previous researches on marketing methods in construction industry in Romania

In a market where design companies were aligned to economic trends in construction industry, such as increased energy prices and specialized design services for wind farms, solar parks and renewable energy projects, the ability to further diversify the company's portfolio is a must. Trends on the market determined many companies to oriented projects rehabilitation/ retro future existing buildings, draft change of destination and functional design projects conversion, interior design and landscaping, also for some of them the activity plunged in a sector parallel to the constructions. According to a survey of IBC Focus on the last 3 years (2012-2014), published in 2014 on Romanian market, based on registered turnover, top 100 designers achieved business figures almost ten times smaller than the most powerful 100 building entrepreneurs, but their role and efforts are more relevant with the allocation of contracts for designing declined in the last five years less than 2% of the total a project. So based on comparative year 2013-2014, 29 companies in the 2013 top 100 companies are not to be found in the 2014’s. Marketing with the right tools makes a difference, stated in the table 2. The differences between marketing projects versus marketing services, when are highlighted the main differences.

Table 2 The differences between marketing projects versus marketing services

| Marketing projects | Marketing services |
|---|--|
| Projects are connected through a good communication between team members, team and funding organization, project (project manager) and public | Services are connected only to the company, good communication between company and public |
| A project is a temporary endeavor undertaken to create a unique product, service, or result (PMI, 2004). Communication is internal in order to deliver. | A product/services is anything that can be offered to a market that might satisfy a want or a need. A product has a life cycle. It's conceived, developed, introduced and managed in the market, and retired when the need for a product/service diminishes. During the life cycle of a product sometimes multiple projects can occur. Communication is external, focused on the customers' need and on the resulting product strategy. (Kotler, 2006) |
| Marketing techniques are used in all stages of the project development: designing, proposing, negotiation, implementation, finalization and results | Marketing techniques are used when the services are ready to deliver |
| Marketing techniques increase the visibility of the financing organization and its aims | Marketing techniques focuses on services |
| Flexibility, interaction and feedback | Limited flexibility |
| the geographic area is restricted | Geographic area, segmentation |
| Campaigns do not cost so much | Large campaigns cost a lot of money |
| Targeted applicants and needs | General needs and general target |
| The beneficiary of the project are familiar with the project, targeted channel to interact directly with the public | The beneficiaries of the services have to be informed over the service |
| In promoting projects the area of focus is when | In promoting services the area of focus is why |
| Media &channel: billboards, projects portfolio presentation and BTL campaigns | Media &channel: magazines, PR and ATL campaign are the preferred mobiles to promote companies and services |

Source: adapted from Grigorescu (2007), p. 15

The digital era is a new medium for the marketing arena, so companies had to adapt their methods, with its basic presence the company website. The website may attract variety of stakeholders, potential clients, partners, subcontractors, investors, employees and interested groups and should provide interest and relevant information to all this public. In the digital era, the Social media has transformed the ways in which businesses of all types and sizes network and interact with their customers and clients. Although, interacting with construction companies in the same place are posted family pictures or shared personal statuses may identify not to be the perfect tool, but Facebook is considered a valuable marketing tool even for the

construction industry. To take full advantage of the growing importance social media plays in our economy, companies need to understand how to use Facebook in particular, as an ideal social network for its versatility in content publication, large number of users, connections to other businesses. A study in social media on the top 20 construction companies in UK in 2015 in the key platforms investigated Twitter, LinkedIn, Facebook, Website Links, Analytics, Google+ and Blog revealed that 70% of construction companies are starting to engage with followers compared to 55% in 2014, 60% of the top construction companies have set up groups for others to join on LinkedIn compared to 45% in 2014, 50% of the top construction companies have an official Facebook page, 65% had a Facebook page in 2014, despite the drop, 80% of those still with a Facebook page are posting updates, 90% of the construction companies have placed links on their company websites which link to their social media profiles, this was just 55% in 2014, despite 85% of construction companies having a presence on Google+, none of these are using it to interact with their audience, moreover, only 30% are actually posting on this, 95% of construction companies are on YouTube and 70% are regularly posting video content. (<http://www.pauleycreative.co.uk/2015>).

According to a survey on Romanian market in design sector, top 100 design companies, designated by IBC Focus in 2014, top methods companies managed to attract clients and investors are recommendations (88%), public tenders (76%) the secure way to gain contracts, online presence and promotion (24%), magazines and catalogues specialized (15%), data bases (14%), offline presence and promotion (8%) and other methods (8%).

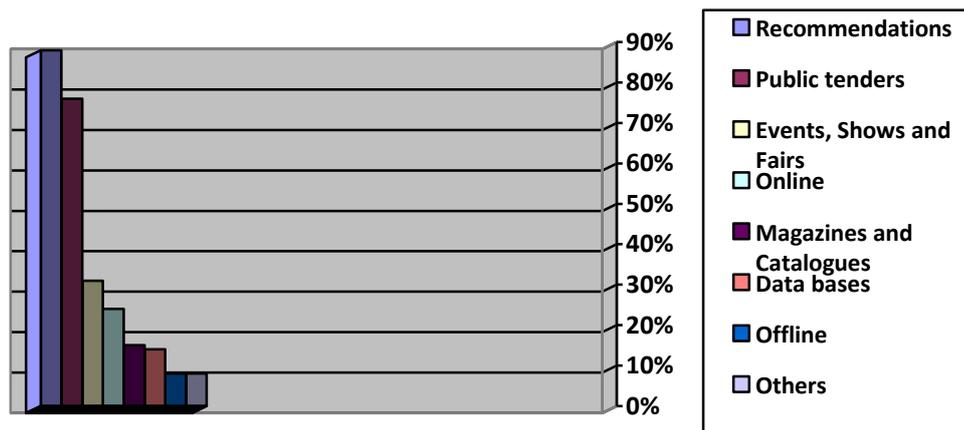


Figure 1 Methods used by design companies to find clients and investors

Source: adapted IBC FOCUS 2014, printed version of Annual Magazine Top 100 companies in Construction Design

3.2 Research methodology and results

In the lights of a varied approach to marketing and versatile marketing strategies in the construction industry, the research aims are:

1. To identify a list of significant methods to attract clients and investors and their importance
2. To investigate possible interrelations between success in winning contract, contracts value and the competitive advantage of Portfolio of Projects.

Clients look for history in construction companies and traditional quality of work so this attributes must be exploited by the marketing team to the company's benefit. Also the reputation within sector by delivering projects successfully will sustain the brand become well known. By being able to offer different services will make the companies more attractive. The results to all marketing methods is that clients and investors are interested and ask questions and are willing to interact the company.

A country's growth and development includes construction to, within the way the cities are extending vertically through transport or energy infrastructure. Roads, buildings, architectural style and construction elements define and differentiate countries. Construction designers and engineers highlight the development needs of a country through drawings, specifications and documentation very well planned. For adaptability to the economic trend and to preserve privileged position in the top 100 designers and contractors, companies had efforts to extend secondary areas of application services or diversify existing ones.

Any modification into top 100 construction entrepreneurs and contractors determines modification in top 100 designers for construction, although the route should be design – construction as identified in the Table 3. Profit and turnover trend for top 100 designers and contractors in 2011-2013.

Table 3 Profit and turnover trend for top 100 designers and contractors in 2011-2013

| | Turnover (mld lei) | | | Turnover evolution (%) | |
|------------------------------------|--------------------|--------|--------|------------------------|-----------|
| | 2011 | 2012 | 2013 | 2012/2011 | 2013/2012 |
| Top 10 designers | 0,409 | 0,327 | 0,355 | -20 | 9 |
| Top 10 general contractors | 3,046 | 4,178 | 3,14 | 37 | -25 |
| | Profit | | | Profit evolution (%) | |
| Top 10 designers | 50,7 | 34,04 | 40,83 | -33 | 20 |
| Top 10 general contractors | 83,3 | 81,55 | 292,49 | -2 | 259 |
| | Turnover (mld lei) | | | Turnover evolution (%) | |
| Top 100 designers | 1,21 | 1,20 | 0,92 | -1 | -23 |
| Top 100 general contractors | 9,47 | 9,79 | 8,05 | 3 | -18 |
| | Profit (mld lei) | | | Profit evolution (%) | |
| Top 100 designers | 144,63 | 115,24 | 106,25 | -20 | -8 |
| Top 100 general contractors | 437,7 | 380,38 | 496,28 | -13 | 30 |

Source: adapted from IBC Focus, top 100 designers in construction

The research question was: What are the effective methods in marketing design and construction within construction industry to attract clients and investors? We addressed this question by a questionnaire performed in top 100 Romanian design and engineering companies for construction, during march to july 2015 and top 100 construction companies. The questionnaire survey was sent by email to top 150 companies in the market and 100 responses were received, for each sector. The form of the questionnaire is in the link <http://goo.gl/forms/3Sg4nQWhCC> and according to Annex 1. Also, the respondents companies which didn't answer were contacted by phone. Geographically, this study covered Romania and the respondents were coordination positions, Project Managers, architects and marketing specialist. There were included top 150 companies registred CAEN 7111 and CAEN 7112 (Architecture activities and Engineering and Technical Consultancy related to this) based on their revenues in 2014 and companies in construction identified by CAEN 4120. Projects considered in the research are the projects selected by the company to better represent their capabilities in delivering successful services and image, included in the presentation, brochures, websites and portfolios used as recommendation when tendering. The financial value of the projects considered for construction respondents starts 500,000 euro up to 50,000,000 euro (the budget of the project considered to be delivered). The media per company is about 20 projects, focused on the most valuable services and different areas of services. There are differences between projects' budgets in construction and architecture. The architecture projects considered in the research portfolios starts 500,000 euro up to 10,000,000 euro (the budged of the project to be delivered). We haven't considered the value of the contracted services (due to privacy).

Regarding the types of projects considered in the companies portfolios, they include civil and industrial building, transport infrastructure, water and energy facilities.

Whilst the construction companies contract national and international, this research applies only for national projects. Considering the importance of Romanian export of design&engineering services, companies in construction industry attend the international fairs, trades and events organized with the support of Patronatul Societatilor din Constructii and Federatia Patronatelor Societatilor din Constructii with the interest to contract internationally. This activity has a major impact for international marketing exposure. Further research will be prepared to evaluate the marketing activities for international contracts.

The main results, that significantly respond to the question of the research is below, the first three most important major competitive advantages indicated were: portfolio of projects (62%), recommendation (17%) and ability to further diversify the company's portfolio (9%). The competitive advantage list that differentiate companies in construction industry and needs to be better valued/focused include as mentioned in Table 4. Major competitive advantages to attract clients and investors.

Table 4. Major competitive advantages to attract clients and investors

| Design & engineering respondents | Construction respondents |
|---|--|
| Portfolio of projects – 62% | Portfolio of projects – 50% |
| Recommendations – 17% | Recommendations – 15% |
| Public tendering – 4% | Public tendering – 9% |
| Ability to further diversify the company's portfolio - 9% | Ability to further diversify the company's portfolio - 14% |
| Events, trades and fairs – 3% | Events, trades and fairs – 0% |
| Services portfolio – 3% | Services portfolio – 5% |
| Team – 1% | Team – 3% |
| CEO's/GM's brand – 1% | CEO's/GM's brand – 4% |

The list of responses mentioned in the questionnaire is based on analyzing the previous responses given by CEO/GM of design and construction companies within the Romanian magazines in the last 5 years related to their privileged position in top 100, the attributes that differentiate from competition, the importance of project portfolio, the trend in construction and design, and the trend in ability to further adapt and diversify the company's portfolio. More than 200 interviews were analyzed from five business, construction and financial magazines in the last five years (Business Magazin, Ziarul Financiar, Agenda construcțiilor, Arhitectura, Revista construcțiilor) for both construction and design sector. Interviews were extracted related to the subject of differentiation, positioning and competition. Based on this responses form interview and tested through the survey, we can appreciate that Project Portfolio is that competitive advantage connecting design and construction companies directly to investors and clients. A higher position in the top 100 companies is related to a better consideration on importance of portfolio of projects. A good projects portfolio is the key to winning contracts. Top three sources are used to attract contracts, while the other five to inform, brand awareness and notoriety. Related to Project Portfolio Management, described as an approach or method that helps organizations to achieve their business goals and objectives (Hemanta, 2013), 29% design and engineering companies in Romania have to managed within a year 10 to 20 projects, 31% design and engineering companies mentioned having approximativ 10 projects a year, 25% of the respondents have said that they have to work between 20 and 50 projects. A significant percentage of firms 15% have to work more than 50 projects a year. The conclusion was that 70% of top designers have to deal with more than 10 projects a year. (according to IBC Focus in 2014) The number of projects is totally influenced by the size of the projects.

A major aspect of this research is also the importance of activities within the allocated budget and the confirmation value of the total marketing budgeted in the company's turnover. Practitioners in marketing recommend to have a total budgeted per year approximated to the value of 8% of year's turnover related to the industry's sector. Is this specific to the construction industry also? How the position in the top 100 companies is affected by the allocation and value of marketing budgeted and the importance considered to marketing? So the results for each sector are as below in Table 5. Marketing total value in company's turnover.

Table 5. Marketing total value in company's turnover

| Design companies marketing budgeted value | Construction companies marketing budgeted value |
|--|--|
| 1% from total turnover – 50% | 1% from total turnover – 40% |
| less than 1% from total turnover – 35% | less than 1% from total turnover – 30% |
| 8% from total turnover – 11% | 8% from total turnover – 20% |
| more than 8% from total turnover – 4% | more than 8% from total turnover – 10% |

This representation of marketing budgeted is related to the importance given to marketing, to methods and activities. The companies within construction allocate a higher value to marketing and considers it important for the company. Considering the importance on marketing in construction sector, in 2013 a survey was conducted (by IBC Focus) related the achievement of marketing actions in the future – so top three priorities were to maintain and increase brand awareness and online presence (15%), increasing the offer number and potential clients (15%) and only 6% considered important to attend fairs and exhibitions. Related to this is the value accorded to marketing budgeted increased after two years.

Companies represented in top 100 design and construction companies have presentation websites and all of them have a project presentation page. We have observed at a first view using Alexa, QuantCast and Google Pagerank that for top 10 construction and design companies the most visited page after home page is the project portfolio page (90% cases) and this pages dedicated to project presentation include services during the project, budgeted, deadline and sometimes timeline information important for potential investor and clients looking for their partners. And also all this companies have a recommendation page, sometimes known as “Client’s review” that is secondly most visited page after portfolio of projects and we can accept that this page should be more detailed.

A part of online marketing, social media presence has its features for the construction market; but unlike the British companies, the Romanian companies are not very familiar with social media advantages. A Romanian survey guided in 2014 on 209 marketing respondents, by EY Romania and Total Soft, (2014 Social Media Marketing Industry Report – How Marketers Are Using Social Media to Grow Their Businesses), analyses the way social media marketing impact on companies (also the construction sector is included). Construction companies offers followers information, events and clients reviews (57%), job offers (6%), Q&A and suggestions (6%), information about services and products (19%), information about campaigns, sales and discounts (19%) and content not related to the company (6%). About the area where construction companies uses the social media advantages, communication is on top of preferences (19%), followed by research (6%), marketing (25%), recruitment (19%) and competitive analysis (19%). So sales, networking and customer relationship are not considered variables implied. As for the impact of social media, companies acquire brand awareness (25%), loyalty (19%), reputation/ notoriety (25%), brand recognition (19%). The marketing budgeted directed per year to social media activities is 1000euro in 40%

of cases, 20% uses 5,000-10,000 euro and 40% invest 3,000 – 5,000 euro per year. Facebook Insights presents only 210 pages in Facebook for the domain construction and 160 pages registered in architecture. (people and company pages)

LinkedIn presence for construction and architecture in Romania considers 250 accounts in construction (people, companies and groups) and only 150 companies.

Conclusions

A higher position in top 100 companies in construction and design market is directly connected to a higher number of macro projects and to a higher annually project portfolio. The more projects a company have and diversified the projects, the more recommendation shall have. The more macro projects a company has, the more its partners and clients are bigger and well represented in the market. There is a dependence relation between a company's size and its number of projects, so the bigger the company the more projects will have. As the conclusion related to our study, a company should have projects focus on their portfolio services to ensure in the future an increased number of clients and investors and the bigger the project portfolio is the increased potential to attract clients is. A simpler understanding is that project portfolio is a representation of marketing the results of construction and design projects.

In conclusion, companies in construction sector should consider studies of the effectiveness of the marketing techniques, evaluating marketing efforts and planned marketing strategies. Since the project marketing is limited presented in the literature, there are a few studies in Romanian interests regarding this subject and better exposure of projects companies are working connects companies to partners and clients and better represents the company in the market. Recommendation for the future is that companies try to model or identify the most appropriate marketing tool for the economic trend and situation. Brand development will increase its importance related to corporate communication and its value.

Also, another conclusion on the research is that the companies in construction industry will focus on better promoting and exploiting their competitive advantage by considering a higher dedication and value in the marketing budgeted for the next years and marketing the results of the projects.

We shall further invest our efforts to research over architect brand in choosing a design company, social media presence and the importance of diversified project portfolio.

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Annex 1. Survey questionnaire

Indicators in marketing activity used to attract investors and clients.

Desing and construction companies research conducted

1. What is the number of project the company worked the previous year:

- less than 10 projects
- 10 projects
- 20 projects
- more than 20 projects

2. What is your position in the company?

- project manager
- architect/designer
- engineer
- decision/ coordination position/ CEO/ GM
- marketing specialist
- other

3. List top five attributes that influence and define your market position

4. Which is the marketing activity with the highest budged?

Choose only one answer.

- marketing the company/services
- marketing the portfolio of projects
- marketing the team

5. What is the annually marketing budged?

- 1% from annual turnover
- less than 1% from annual turnover
- 8% from annual turnover
- 8% from annual turnover

6. What is the priority in marketing to attract clients and investors?

- project portfolio
- services portfolio
- public tendering
- client's recommendations
- the brand
- architects / engineers
- attending fairs and exhibitions

7. What is the prior activity that determined the market position actually?

- client's recommendations
- the ability to further diversify portfolio of services
- project portfolio
- services portfolio
- public tendering
- team
- the brand of the CEO/GM
- attending fairs and exhibitions

8. What is that competitive advantage from investors and clients point of view?

- client's recommendations
- the ability to further diversify portfolio of services
- project portfolio
- services portfolio

9. Which marketing activity do you consider to invest more in the future so to be promoted?

- client's recommendations
- portfolio of projects

team

10. Define the area of services

construction company

design&engineering company