

Chapter 65

The Relationships between the Organizational, Environmental Characteristics and Marketing Performance: An Empirical Study

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ABSTRACT

This research aimed at studying and analyzing the relationships between the organizational, environmental characteristics and marketing performance in three Egyptian private telecommunication companies. The analyzed data came from a hand delivery survey of a stratified random sample of 390 from the employees. Since the total numbers of the mobile customers are very large and geographically dispersed, an e-mail survey was used. The response rate for the employees was equal 92.3% and for the mobile customers 85.2%. The research ended up with the following main findings: (a) In general, there is strong and significant support for the developed hypotheses; (b) there is strong, positive and significant relationship between formalization; internal environment and marketing performance; (c) centralization and external environment are strongly, negatively and significantly related with marketing performance; and (d) there is strong and significant relationships between all the independent variables and all marketing performance indicators.

INTRODUCTION

It has been suggested that the true test of good management is its ability to organize and best utilize the available resources to achieve and maintain an efficient and effective level of performance.

In the literature on organizations, references to the notion of efficient and effective level of performance are often seen as a desirable trait for most organizations. In addition, it is considered the key variable behind any organization's success or failure.

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In the era of globalization which has brought about unprecedented changes in the service economy, organizations of all sizes and structures are searching for strategies to improve the level of performance without sacrificing the level of quality (Rayshekher & Javalgi, 2005).

Among the most important of these strategies, those related to the marketing activities, this because marketing is regarded as the pivotal behind the strategic planning and business operation (Ambler, 2008), and over the last few years, the concept of "Marketing performance" has attracted an increased attention among the academic researchers and business practitioners (Nwokah & MacLayton, 2006). Marketing makes a fundamental contribution to the long-term business success on the bases that an organizations survival depends on its capacity to create value. Therefore, evaluating marketing performance became the key task for the management (Brodie & Cavilla, 2008), a key part of any organizational infrastructure, and an integral part of all management process. Commentators advocate that marketing performance needs to be assessed in order to determine the adequacy of the strategies for achieving organizations objectives, to revise and communicate strategies, and to develop the tactical objectives.

In addition, the competitive environment of modern day businesses appears to necessitate the successful implementation of the marketing activities and the marketing performance measurement in order to achieve survival and growth for any type or size of the organization. Accordingly, (Kortam, 1999), considered that the assessment of marketing performance can be considered a seductive and illusive concept. Seductive because of its potential role in defining managerial practices and illusive because of the complexities implicated in the development of clear and credible factors by which marketing merit could be judged.

RESEARCH PROBLEM

Organizations by their nature tend to be complex entities that strive for the rational allocation of their resources for purposes of goal attainment.

Academic interest in marketing performance management (MPM) is largely based on the assumption that greater marketing accountability enhances firm performances and the marketing's structure (Rust, Lemon, & Zeithaml, 2004). However, researchers have given little attention to testing these relationships and to determine and identify the factors that affect the marketing performance level in any organization whether these factors are organizational or situational.

Instead, researches have tended to focus on: the techniques for measuring marketing productivity, the approaches to measuring brand and customer equity and on identifying the metrics in use (O'Sullivan & Abela, 2010).

Summing up, marketing performance measurement has long been a main concern in marketing literature and a core troubled issue in companies. Nonetheless, since the seminal works on marketing productivity analysis, the academician and managerial domains have seldom generated essential new knowledge on the topic (O'Sullivan & Abela, 2010). Although a strong effort has been devoted to the development of punctual measures better suited to assess the evolving relevant performances in response to the emerging marketing paradigms marketing performance measurement system (MPMS) design still remains a widely uncovered topic (Clark et al., 2006). As a result, both academics and managers currently lack a comprehensive understanding of the marketing performance process and the factors that affect the design and use of marketing performance assessment system within corporations (Morgan et al., 2002). Also, measuring marketing performance has always been a challenge due to the inability to determine which metrics are meaningful. Meanwhile, and based on my literature review, one can

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