

The Role of Organizational Culture and Process-Structure in Marketing Intelligence: Perspective of IT Professionals

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ABSTRACT

The presented study seeks to explore the factors impacting MI of select consumer durable organizations and to know the strength of their relationship. The intention is the development of a scale and to find the role of organizational culture and process-structure in generating MI. Survey method is used to collect the responses of IT professionals of select consumer durable companies. Data from IT professionals of consumer durable companies from Northern region of India has been collected. The principles of reliability, validity, sensitivity in the design of scale and linear regression technique have been applied to know the strength of the relationship between organizational culture and process-structure on MI. This study advances the understanding of intelligence generation in an organization that is further used in marketing applications by investigating relationships among elements of intelligence.

KEYWORDS

BI - Business Intelligence, CI - Competitive Intelligence, MkIS - Marketing Information System, MI - Marketing Intelligence, OC - Organizational Culture, PS - Process-Structure

INTRODUCTION

The idea of Marketing Intelligence (MI) as a whole in business has grown in educational, intellectual and in the corporate world. In today's era, with the advent of world wide web and internet world, managers can get the valuable information in no time and easily than ever before. It is not peculiar for MI to be viewed as a propellant of strategy and competitive-edge in the business world (Lackman, Saban, & Lanasa, 2000). MI keeps the organization ahead of competitors as it is the process of collection of facts and figures and this information can be converted into an applicable form of intelligence which is then used for strategic as well as short term planning (Etorre, 1995). In this regard, MkIS is a tool that assists managers to generate MI to achieve competitive edge (Tan & Ahmed, 1999).

The growth of GDP in India influences purchasing power of people leading to the preference for sophisticated brands. This further leads to encouragement for the growth of consumer durable industry

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(EY, 2015). Consumers usually invest huge money for these products making quality and brand as of major imperative for the purchase decision. Marketing information system (MkIS) is a tool for attaining MI that can provide the competitive edge to marketing based companies. Earlier, MI was limited to the departmental level only for managing and analyzing information. Recently, MI has become an organization-wide phenomenon which involves intra as well as inter-organization information and analyzing the marketing environment (Tan & Ahmed, 1999). The importance of MI can be viewed in long term ever-lasting forethought tasks, commodity promotion, brand development and new product maturation. Due to the advancement of computer-based systems, the approaches to marketing management have also changed and inspiring marketing managers into the corporate spotlight by providing new tools with which to respond to market opportunities (Saaksjarvi & Talvinen, 1993).

MkIS plays a major role in providing the competitive edge to companies (Nasri & Charfeddine, 2012). The role of MkIS has evolved from being initially meant for providing standardized reports to multiple users to being a tool used extensively for strategic decision making across the organization especially by marketing professionals (Higby & Farah, 1991). In India, there are companies that are utilizing MI to obtain the facts and figures related to customers, competitors, markets, and suppliers. One of the major aims of any company is to get the accurate internal and external information related to the organization itself, rivals and external market through any means whether offline or online source. In marketing domain, MI plays a vital role with respect to performance (Narver & Slater, 1990; Jaworski & Kohli, 1993; Pirttimaki & Lonnqvist, 2006; Matsuno & Mentzer, 2000). However, questions still remain regarding the contribution of MI in marketing applications and decisions (Hunt & Lambe, 2000; Norland, 1990). Wright & Calof (2006) stated that innovative culture and policies, procedures, an informal and formal structure of working style affect the degree of the intelligence generation. Also the process-structure and organizational culture are influencers on MI planning wheel. Thus, there is need to study the strength of this relationship.

This study concentrates on MI factors and the role of organizational culture and process-structure in creating MI in select consumer durable companies. The researcher has taken consumer durable sector only because consumers get varied choices in this sector and decision making is required at consumer end at the time of choosing the brand. Therefore, it is important to understand how IT professionals are creating and managing MI in their organizations. This intelligence refers to know how about consumers needs, preferences, market conditions, competitors, supplier information. This study examines the role of organizational culture and process-structure in creating the effective intelligence used for marketing applications. The next section reviews the concept of intelligence, the evolution of MI and its usage. The schematic diagram of the work undertaken is shown in Figure 1.

LITERATURE REVIEW

Marketing Intelligence (MI)

The notion of intelligence has a vivid background of more than 2000 years (Juhari & Stephens, 2006). The idea of intelligence in marketing strategy formulation is used to enhance the competitiveness and strategic planning process of an organization (Montgomery & Urban, 1970). Intelligence is the sum total of collection, analysis, consolidating and elucidating all obtainable facts and figures stated by Eells & Nehemkis (1984, p. 75). Literature in the intelligence has been provided by many writers under numerous diverse names including environmental scanning and market intelligence (Maltz and Kohli, 1996). Majority of the studies have placed intelligence as essential for strategic planning. Out of these areas, one has acquired the greatest scholastic recognition as been that of MI, an analytical addition of the market research subject (Walle, 1999). MI uses an organized and principled procedure involving forethought, gathering of facts and figures, analysis, communication, and management (Calof, 2008). Castanon (2004) insists that MI influences marketing decisions through use of internal and external data through analysis and statistical techniques for refining response to markets.

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