



## MARKETING IN THE VIRTUAL SPACE

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**Abstract** The paper titled "Marketing in Virtual Space" was divided into three parts. In the first part we studied the marketing strategy and mix in virtual space, focusing on the set of variables that are controlled by an organization. In the second part we studied the concepts of branding, branding, online branding and e-branding with the similarities and differences between them, and in the third part we studied the cybermarketing-specific indicators and the general characteristics of the performance indicators.

**Key words:**

indicators, marketing,  
mix, organization,  
performance

**JEL Codes:**

M31  
N20

### 1) STRATEGY AND MARKETING MIX IN VIRTUAL SPACE

The marketing mix, according to a modern theory, is a set of controllable instruments that the company uses to market a business that brings together the properties of the organization and the elements it can use to influence the demand for a product or its sales.

The marketing mix refers to a certain structure of marketing efforts, combining, designing

and integrating in a variety of ways into a marketing program of controllable variables to achieve the effectiveness required to achieve the organization's objectives within a determined period.

The set of variables controlled by an organization are known as the "4P" (Product, Price, Place, Promotion) that have the role of detailing marketing strategies and market influence to ensure maximum efficiency.



Figure 1 - Set of variables controlled by an organization (4P)

These sets can be viewed as follows:

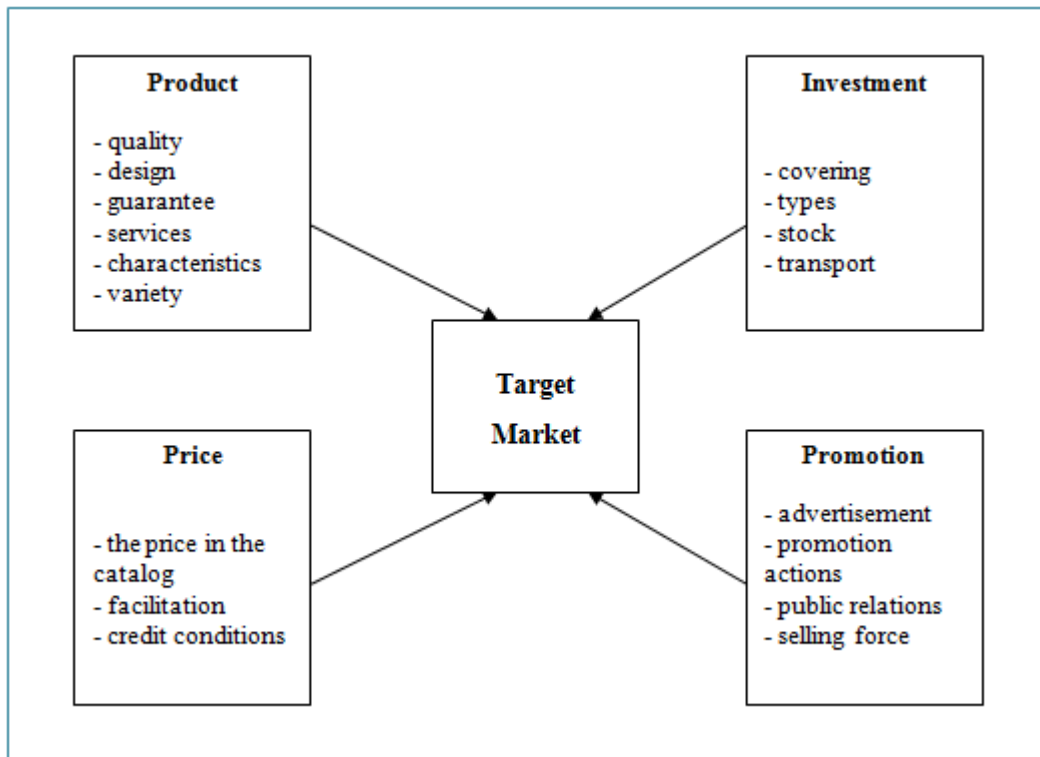


Figure 2 - Example set of variables

It is known that "4P" reflects the bidders' view of available marketing tools to influence the buyer (1) and therefore if the business looks at the consumer's eye when conceiving "4P", they should also design "4C" of the buyer, says Robert T. Lauterborn<sup>1</sup>.

The marketing mix refers to combining, designing and integrating controllable variables into a marketing program to gain the effectiveness of achieving an organization's goals in a given period.

The process of developing the marketing mix takes place in three stages, ie: The first step is the stage of identifying the variables in marketing with the help of the market information and in accordance with the particularities that appear in the implementation of the mix. At this stage it is good to include and take into account the four dimensions (product, distribution, price and promotion) because each has another dynamic and their combination exerts an influence on the established objective. The second step is the stage of combining the best conditions.

## 2) E-BRANDING, BRAND, BRANDING, AND BRANDING CONCEPTS

It is known that not every product is a trademark and that not every brand is a BRAND. There are now several definitions regarding the notion of brand. The most common definition to date is that "brand is a name, symbol, or sign used to identify a manufacturer's services or products."

The second definition would be that "a brand is a set of emotional and relational associations that a client makes with a particular product." Generally, a brand makes me think about quality, honesty, good price / supply ratio, kindness, and other.

The third definition would be that "a brand is the way a product, service or company is seen in the minds of consumers".

<sup>1</sup> New marketing: for P's passé; C- words take over  
Advertising Age – 1 oct. 1990, pp 26

Brand Features:

- add value to products;
- is a registered trademark;
- is a famous company;
- made up of logo and slogan.

In companies, the architecture of a trademark exists in three basic levels: corporations, business units, services, or products. Branding talks have been adopted at marketinf since the beginning of 1990<sup>2</sup>.

The features outlined above are the characteristics of identity that are the main component of a brand. A brand implies an identity, and this brand becomes just communicated, exposed, and recognized.

The brand plays an important role in establishing the company's visibility and position on the international market. Building the architecture of the international brand is the main component of the company's marketing strategy.

In addition to the notion of brand, we also have the concept of BRANDING. Branding is a means of identifying the company's services and products, differentiating them from others, creating and maintaining the image that encourages trust among customers, partners, and audiences<sup>3</sup>.

Branding can define it as establishing effective associations in choosing Brand name in the minds of target group members. So branding is a Brand consolidation activity.

Branding laws are only applicable in situations where only brand choice is based on associations that are only stored in memory. These choices can also be made according to the appeal of visual perception laws, as suggested by Lee, Berbaum and Schindler.

### 3) PERFORMANCE INDICATORS SPECIFIC TO CYBERMARKETING

Performance in general is associated with processes: performance management and its measurement.

Performance management is the process that addresses the issue of performance and reflects the link between performance and entity and includes processes such as: strategy definition and implementation, performance measurement and training process, and performance measurement appears as a subprocess of performance management and focuses mainly on identifying , tracking and communicating performance results using performance indicators.

Characteristics of performance indicators:

- helps quantify the achievement of results by giving visibility to teams, individuals, organizations and departments, enabling decision-makers to take action to achieve the desired goals;
- are financial, non-financial and quantitative measures regarding the performance of certain business tasks, processes or operations;
- represents the ability of the department, company or division to achieve its objectives and achieve performance;
- are a way of measuring the performance of departments, divisions, organizations and employees;

Key performance indicators are defined as measurements by which investors, management and management can assess the performance of their business in the long and medium term and provide dynamic comparability across industries.

<sup>2</sup> Saila Saraniemi and Mari Ahonen, Destination Branding from Corporate Branding Perspective, Proceedings of the Conference on Corporate Communication, 6th-9th June 2008, Wroxtton England, pp 435-448

<sup>3</sup> Oliver Serrat, New-Age Branding and the Public Sector, Springer Link. pp 375-383

Performance indicators can be: operational, managerial or strategic. Operational indicators provide us with information on individual performance related to processes, procedure, efficiency, and other. Managerial indicators provide us with information on management, resource availability, budget versus income, and cost planning. Strategic indicators provide information to a company's management: turnover, market share, stock price, and other.

The most used and recommended indicators are:

1. Net profit margin, indicator is recommended at industry level;
2. Timely delivery according to customer needs and expectations, which is met at the manufacturing or merchandising companies;
3. Profitable customers, an indicator that avoids prerequisites for making decisions in the report;
4. Projects budgeted in time and according to specifications;
5. The degree of commitment of staff in relation to responsibilities and work activities.

In order to be able to choose performance indicators, a company must take into account several factors, such as:

- strategic objectives (profit, costs, turnover);
- timing of the activity (immediate profit or long-term orientation);
- company profile (distribution, production, services);

From the studies conducted so far, it has been found that the most used performance indicators are the financial ones and vary according to the function of the firm and the industry.

The performance key indicators are set according to the following levels:

- Company: Market share, Turnover, Profitability, Employee satisfaction, and other;
- department / function: budgeting, sales quota, and other;
- Working process: marketing and sales, stocks and purchases, and other;
- individually: monthly, semester and yearly training sessions, and other.

Performance indicators are classified by department, field of activity, division as follows:

- accounting (income / earnings, expenses, and other);
- marketing (percentage of new customers, optimization of existing products, and other.);
- human resources (the employee competency coverage ratio, employee satisfaction);
- retail (value of products sold, return of products, and other);
- IT (launching new software releases on the market, adding new features to previous versions of software, and other);
- construction (construction cost variation, maintenance and exploitation cost of construction, and other);

Performance aspects relate to the type of performance evaluated. These performances were exemplified in the following figure, as follows<sup>4</sup>:

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<sup>4</sup> Constantine S. Katsikeas, Neil A. Morgan, Leonidas C. Leonidou, & G. Tomas M. Hult, "Assessing Performance Outcomes in Marketing", *Journal of Marketing*, Vol. 80

(March 2016), 1–20, DOI: 10.1509/jm.15.0287, 2016, American Marketing Association, ISSN: 0022-2429 (print), 1547-7185 (electronic)

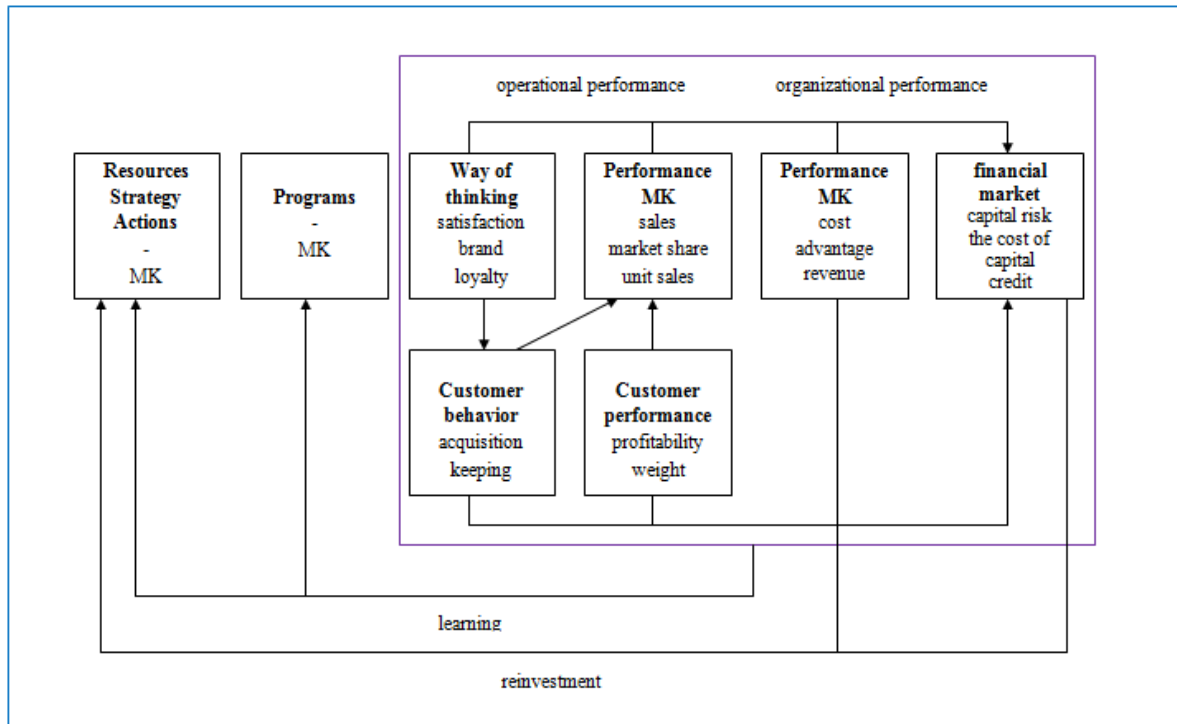


Figure 3 - Evolution performance

- (1) results on customer mentality - customer satisfaction and perception, branding, and others;
- (2) results on customer behavior - purchasing behavior, and others;
- (3) customer performance performance - business results for the customer group or their behavior;
- (4) results of product market performance - how a product operates;
- (5) results of accounting performance - results and financial reports of the firm, and other;
- (6) financial market performance results - results reflected in debt or equity markets indicators.

## CONCLUSIONS

In the paper entitled Marketing in Virtual Space we studied the marketing mix in virtual space, the concepts of brand, branding, online branding and performance indicators specific to cybermarketing. We noticed that in an organization there is a set of controls called 4P that have the role

of detailing marketing strategies. As far as the brand is concerned, we have noticed that it plays an important role in establishing the company's visibility, and branding is a means of identifying the company's segments and products. In the last part of the paper we studied the performance indicators, indicators that are defined as measurements by which management can assess long-term business performance.

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