

MARKETING ACTIVITY OF THE COMMERCIAL FUNCTION OCCUPIED BY ENGINEER ECONOMISTS IN THE PETROLEUM PRODUCTS MARKET

Liliana Doina MĂGDOIU¹, Ioan Constantin RADA, Nicolina Florina MAGHIAR³

¹University of Oradea, lili34ana@yahoo.com

²University of Oradea, ic_rada@yahoo.com

³University of Oradea, nicolina_maghiar@yahoo.com

Abstract— The economic development of a country cannot be conceived without a market for petroleum products that can efficiently sustain activities from economic sectors as well as resolve social necessities. In these conditions we can consider that petroleum products are part of energy products and they will remain for a long time a measure of quality of life and economic development, but also their commercialization as interest for profit. The contemporary society knows, for the marketing of petroleum products, an increasing globalization process as well as diverse marketing methods. Restructuring various petrol companies is not a goal in itself, but the main way to achieve the satisfaction of petroleum products consumers in safety conditions, at prices that ensure the expected profits and with the assurance of the ambient environment. As is known the situation in the field of petroleum products is very mobile, constantly changing. Therefore our analysis must be viewed in the context of its making.

Keywords— marketing activity, commercial function, engineer economists, occupations, petroleum products market

I. INTRODUCTION

In our analysis we took into account, on one hand the importance of the petroleum products market, the importance of their commercialization function and especially of the marketing activity from this function and on the other hand the occupational offer for engineer economists in the fields of electric, electronic and energy recorded in the National Register of Qualifications in Higher Education. The processual organization of the company for marketing petroleum products consists in the study of the main labor categories and processes necessary to achieve the overall objectives of the company. The results of this organization are: functions, activities, duties and tasks. The commercial function within companies for marketing petroleum products as an ensemble of homogeneous or complementary activities carried out by the staff of a certain specialty and which use specific methods and techniques to achieve the company's goals, representing a component of the processual organization. It includes the activities which achieve the objectives from the field linking the firm

with the ambient environment to acquire the necessary means and sales of petroleum products, services and deeds which form the core object of the company, namely the marketing of petroleum products.

From the main activities of the commercial function, along with technical and material supply activity and sales, the marketing activity belongs as well. The latter activity aims to create (according to some authors) and discover the necessities of petroleum products consumers regarding the marketing orientation of these products to satisfy those needs. The continuous change of the petroleum products market determines the increase of the marketing activity within the commercial function, in the sense of knowledge, systematization and interpretation of information from the environment to organize future activities.

The purpose of this analysis is to orient the pages in the field of electrical engineering, electronics and energy technology to be able to access marketing occupations offered on the petroleum products market and registered in the COR (Classification of Occupations in Romania) and the National Register of Qualifications in Higher Education, namely: trade and marketing advisor, trade and marketing expert, trade and marketing inspector, trade and marketing referent, trade and marketing economist. The occupations mentioned in the marketing activity are accessed by the engineer economists in the fields of electric, electronic and energy because they gained through the initial formation professional and transversal competences. The tasks of the engineer economists required in marketing activities that are in accordance with the competences are in the job description. [1],[2],[4].

II. THE OCCUPATIONS OF ENGINEER ECONOMISTS IN THE MARKETING ACTIVITY IN THE PETROLEUM PRODUCTS MARKET

II.1. THE OCCUPATION OF TRADE AND MARKETING ADVISER

The professional and transversal competences acquired allow the engineer economists in the fields of electric, electronic and energy to occupy the position of trade and marketing advisor in the petroleum products market. The purpose of this occupation is to elaborate situations regarding the marketing activity analysis and assuring the functioning of marketing levers according to the current legislation. The primary objectives of this occupation are: elaborating suggestions regarding the elimination of some marketing costs, as well as increasing the efficiency of the marketing activity at the distribution and company levels; tracking and analyzing the profitability of the marketing activity of the company or of the petroleum products distribution networks; analyzing the use of marketing levers and developing proposal for improving the use of marketing levers in management.

The trade and marketing adviser occupation assures the elaboration, within a reasonable time, of the situations requested by the commercial (marketing) director or by the marketing department / service / office chief regarding the marketing activity in the consumer and business market of petroleum products: situations regarding the main factors that influence the purchasing behavior of petroleum products from the consumer market; taking purchasing decisions of petroleum products in the consumer market; the analysis of the purchasing process of petroleum products; the stages of the decision making process of purchasing petroleum products; situations regarding the behavior of the business market (companies, firms, institutions, etc.) from industry, agriculture, fishing, mining, constructions, institutions in the fields of banking, finance, insurance, commerce and services; the analysis of how company decisions are made when making the petroleum products supply, who participates at the purchasing process of petroleum products; the analysis of the most important factors which influence purchasing decisions of petroleum products by a company; the analysis of how companies make the purchasing decision. As shown by the written above, the engineer economists trade and marketing advisor takes part at the marketing analysis initiated by the commercial (marketing) director or by the marketing department / service / office chief. In this respect, he presents situations regarding the market of organizations and institutions. A very important situation is that regarding the concept of competition at the level of the petroleum products marketing industry; the concept of competition in terms of the petroleum products market; determining the competition's objectives in the field of the petroleum products market; identifying the strengths and weaknesses of a company's competitor; appreciating the consumer reaction in petroleum products marketing.

The engineer economist takes part at the foundation of the marketing strategy and policy of the firm. In this respect, he designs an informational system with a competitive character which takes into account the choice of attacking or avoiding the competition, the orientation to the consumer or competition of the company. They provide information necessary for

situations specific to the scoreboard of the company's management by measuring and forecasting the demand for petroleum products in the market. This information has at its foundation concepts regarding measuring the demand for petroleum products in the market, market which needs to be estimated, notions regarding the measurement of demand, estimating current demand, the market's total potential, the market's potential of each zone, estimating the future demand of petroleum products, information regarding the intentions investigation of petroleum products buyers, the opinion of the sales forces of petroleum products.

The trade and marketing advisor assures the proper conduct of testing the petroleum products market through diverse methods (time series analysis, statistical analysis of the demand for petroleum products). He takes measures for identifying, within a reasonable time, market segments and choosing target markets in the marketing of petroleum products (general concepts in the field of market segmentation, markets, market segments and niches, segmentation models of markets, the process of market segmentation, segmentation criteria), identifying the target market for marketing petroleum products, additional considerations for evaluating and choosing market segments.

The engineer economist makes proposals to improve the usage of marketing levers, in management, namely, the process of planning and implementing the concepts of pricing, promotion and distribution of petroleum products and ideas meant for change which should satisfy the needs of the customer and the objectives of the company.[2],[3],[1],[4]

II.2. THE OCCUPATION OF TRADE AND MARKETING EXPERT

The engineer economist in the fields of electric, electronic and energy who occupies the position of trade and marketing expert in the commercialization of petroleum products is employed within the marketing department of the company. The general purpose of this occupation is to realize marketing studies which evaluate the position of the firm for commercializing petroleum products in the market and have the following main objectives: following the company's evolution according to the marketing policy of the firm; following the evolution of the newly launched petroleum products and services regarding them in the market; implementing the marketing plan established company-wide.

The activities the engineer economist, trade and marketing expert must carry out the firm for marketing petroleum products are: he contributes to the implementation of the marketing plan company-wide. One of the most important "products" of the marketing activity is the marketing plan, which is made, in general, from multiple sections: introductory exposure, namely, a brief overview of the proposed plan, destined to inform the leadership; the current market situation by presenting relevant data regarding the situation of the petroleum products market, competing petroleum products,

distribution and the microenvironment from the petroleum products market; the analysis of opportunities and problems which the company must face through: identifying the main opportunities and threats, weak and strong points, problems which may arise regarding petroleum products; defining the objectives which the marketing plan intends to achieve regarding sales volume, market share profit size; the marketing strategy through the brief presentation of action methods for achieving the proposed objectives; action programs, with answers to the questions: What is done? Who will do it? When will it be done? How much will it cost?; profits and expenses, through forecasting elements of a financial nature; control methods, namely, presenting the way in which the plan application will be followed. The expert assures the implementation of the marketing policy for the petroleum products marketing firm by applying marketing strategies and techniques in the firm's activity for commercializing petroleum products.

The participation of the engineer economist at internal and external marketing audits. The audits are performed on the foundation of marketing plans and of the control plan of the marketing activity of the firm because in the implementation of marketing plans a lot of surprises may appear. The marketing activity of the company for commercializing petroleum products can be analyzed on the basis of the: annual plan, profitability control, efficiency control, strategy control.

The activity to design questionnaires for the market research of petroleum products is a task of the engineer economist, trade and marketing expert. The questionnaires represent the most commonly used instrument for gathering primary data and consists of a set of question at which subjects should respond. The flexibility of questionnaires consists in that the question can be asked in many ways. Every questionnaire must be elaborated and tested with caution, the engineer economist must choose the questions, words and question order wisely. The frequently manifested mistakes in questionnaires are the questions with given or suggested answers, and also the questions, at which the one who's filling it out, can't answer, being unable to have knowledge of the facts. Thus, every question from the questionnaire must refer to the objective researched, the less interesting ones must be removed to not overload the questionnaire and not to abuse the patient of the questioned.

Realizing studies and elaborating proposals regarding the launch of new petroleum products / services related to selling them, stopping certain products / services or the development of new distribution lines of petroleum products are other tasks that fall within the expert's activity.

He has other tasks, such as: developing and updating the web sites of the company for petroleum products marketing; coordinating the publicity / advertising activity; develops and updates the catalogues and presentation materials of the company for marketing petroleum products; develops loyalty policies for existing customers; collects market studies, information about

petroleum products and the firm's services; contributes to the realization of promotion campaigns for the new petroleum products / services launched; tracks the results of the promotion campaigns; establishes reports which he periodically presents to the marketing manager.[3],[2]

II.3. THE OCCUPATION OF TRADE AND MARKETING INSPECTOR

The verification of compliance with the rules of the marketing activity regarding the correct highlighting of monthly situations and marketing obligation of the company for commercializing petroleum products is the main task of the trade and marketing inspector position. The main objectives of the position are: prevention, detection and control of the deviations of the marketing activity; assuring the application of legal measures after the controls of the marketing activity; assuring marketing assistance for customers.

As the marketing plan is implemented, surprising and disappointing aspects may appear. Therefore, the trade and marketing inspector in the petroleum products market must know a series of reaction and control techniques. From the control techniques we mention three: the annual plan control, the profitability control and the strategic control. The annual plan control is meant to assure the leadership that the designated objectives through the marketing plan (sales, profits, etc) are achieved: primarily, these objectives must be precisely defined for each month or trimester; secondly, the leadership must permanently measure the results obtained in the market; thirdly, if a lack of performance is found, the causes that led to it must be analyzed; fourthly, measures must be taken to reduce the gap between objectives and results.

The engineer economist controlling profitability evaluates the current profitability of petroleum products sales, categories of buyers, commercial channels, as well as the size of orders. The task isn't simple because the accounting system of the firm for marketing petroleum products, usually, can't offer a clear picture of the profitability of the different entities and the marketing activity. The studies regarding the efficiency of the marketing activity are useful for identifying the methods in which different specific activities can be efficiently realized.

Through strategic control, the inspector seeks to verify if the marketing strategy chosen complies or not to the market environment. [4],[3],[2]

II.4. THE OCCUPATION OF TRADE AND MARKETING REFERENT

Realizing and consolidating the best picture for the petroleum products marketed by the firm and the promotional material placement in optimum positions are the general tasks of the trade and marketing referent, engineer economist in marketing petroleum products. Job objectives: creating the best image for the company and the petroleum products commercialized through

distribution networks and stations (gas stations) based on a plan and a well established route; providing information regarding the competition and of the eventual deficiencies occurred in the firm's distribution network; identifying the real situation on the field and proposing actions to ensure the success of petroleum products.

In accordance with the general purpose and the position's objectives, the engineer economist, on the basis of the plan established by the marketing manager, which targets the priority zones, sets together with the hierarchical superior, the action plan. On the basis of the established plan he plans his visiting strategy, weekly schedule and necessary promotional materials. While visiting the distribution networks, he assures the optimal visibility of the promotional materials. He follows the realization of the budget for promoting petroleum products, how the promotional mix of petroleum products is realized. He participates at measuring the promotional results of products. He seeks, through all his actions, the creation of the best image for the company and petroleum products. He follows the realization of objectives and advertising budget and if the purpose of the message sent to the customers, from the petroleum products market, has been reached. He participates at evaluating the advertising efficiency. Measuring the advertising efficiency largely contributes to a good planning and an efficient control of the advertising activity. However the company's leadership doesn't base its decision regarding large expenses with advertising, only on poor information and knowledge.

The engineer economist talks with the firm's employees from the distribution networks, he remembers the name and small details regarding those he comes in contact with, details that will help him at realizing his own objectives. He uses his communicability to obtain the recommendation of petroleum products by the people in the network and he maintains cordial relations with them. Regarding the competitive environment, he follows all the actions of the competition to identify the best actions to counter their actions. In this respect, he develops weekly reports regarding the prices of the competition's products, regarding the new petroleum products, the new presentation models of the competition, proposes actions, ideas and suggestions for diverse presentation methods of the products of the company for marketing petroleum products to counter the competition. [3],[1],[2]

II.5. THE OCCUPATION OF TRADE AND MARKETING ECONOMIST

Within the marketing activity as commercial function of the company for commercializing petroleum products, the occupation of trade and marketing economist of the engineer economist in the fields of electric, electronic and energy is aimed at developing price strategies and programs for the commercialized petroleum products.

The engineer economist is aware that the price is the only component in the marketing mix that generates

income, the other components requiring only expenses. The price is also a very flexible element of the mix that can be changed rapidly, unlike the characteristics of a petroleum product or the distribution activity. At the same time, the engineer economist must know that price fixing and the competition in commercializing petroleum products are the number one problems faced by the marketing department. Numerous firms for commercializing petroleum products fail to adopt an adequate policy, because of the mistakes they commit: the excessive orientation of prices after expenses, not changing the prices at intervals that permit the function of the changes occurred on the market, the price is treated as a distinct element of the marketing mix without being considered an intrinsic part of the positional strategy of the firm on the market of petroleum products; it doesn't differ enough from one assortment to the other, from one market segment to the other or from one opportunity of purchase to another.

Within the firm, the general manager, at the proposal of the economist with prices and at the influence of specialized compartments (financial – marketing), sets the prices. On establishing a price level or another the commercial director, economic director, technical director and financial service personnel have influence.

Knowing all of this, the engineer economist proposes for petroleum products and namely for the newly promoted products, the place that they will occupy on the market from a pricing point of view. He proposes the objectives of the pricing policy; determines the size of demand; evaluates and analyzes costs, prices and the competition's offers; chooses the price calculation methods; proposes the final price.

Another very important operation is the price adjustment: setting the price on geographic criteria; proposes prices with incentives and bonuses; proposes promotional prices; proposes differentiated prices; proposes prices correlated with the mix of petroleum product.

In the duty of the economist enter the initiation of operations of changing the prices of petroleum products and the reactions to initiating the reduction of the price; initiating price increase; analyzing the customer reaction regarding the price change of petroleum products; analyzing the competition reaction to the price modification; analyzing the response of the price change of petroleum products. [4],[3],[2]

REFERENCES

- [1] Rada, I.C., Măgdoi, L.D., 2009, *Management general*, Editura Asociației „Societatea Inginerilor de Petrol și Gaze”, București
- [2] Rada, I.C., Ungur, I., Gogoneață, E., 2002 *Marketingul comercializării produselor petroliere*, Editura Pam Grup, Oradea
- [3] <https://www.google.ro/search?q=Registrul%20National%20al%20Calificarilor%20din%20Invatamantul%20Superior&ie=utf-8&oe=utf-8&aq=t&rls=org.mozilla:en-US:official&client=firefox-a>
- [4] Rada, I.C., Ungur, I., Gogoneață, E., 2003, *Managementul resurselor umane în firmele pentru comercializarea produselor petroliere*, Casa de Presă și Editură „Anotimp”, Oradea.