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Article

Impact of Marketing Consulting on Performances of Agrarian Clusters in Serbia

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Abstract: The subject of this paper is the role of marketing consulting in development of performances of agrarian clusters in Serbia. The research that was carried out has pretensions to point out to many issues that are linked to these problems, initiate their solving, inform those that are obligated to be interested on the role and significance of consulting, as well as the methods of its use. About everything that could contribute to an increase in benefit and improvement of agriculture, including proposing solutions that resulted from exact researches through application of scientific methods by logical conclusions. The empirical research of impact of marketing consulting on the performances of agrarian clusters in Serbia was carried out by a survey. Audit was performed by a procedure by which some relevant scientific conclusions were achieved—by researching data in the field specifically, by collecting adequate data on the agrarian clusters which operate in Serbia. In this paper we started from the following hypothesis: Using marketing consulting improves marketing performances of agrarian clusters, which indirectly leads to an improvement in their financial performance. The basis of the research hypothesis is the so called, PIMS program whose starting point is the influence of the market's strategy on an enterprise's profit, *i.e.*, it shows the connection between marketing and financial performance

of an enterprise. Finally, regardless to the level of success of the research, and proving the obtained results, this paper will surely represent a basis for future researches of marketing consulting and their support to business management.

Keywords: marketing consulting; agrarian clusters; performances; management

1. Introduction

Marketing consulting represents a specific activity of helping managers solve marketing problems in a business, for which they are not fully trained or have sufficient market experience. In modern market economies, especially in those which tend to build market mechanisms, marketing consulting is the result of a need for adequate and timely market information, which has become a key factor of a business's success. Marketing consulting can be defined as professional support to managers in enterprises, in analyzing and solving practical problems. It provides transferring of successful management systems from one enterprise or organization to another [1]. Changes are the main reason for the existence of consulting. In our conditions it is about radical and multidimensional changes that concern an enterprise's property, its business, market, organizational design and construction of funding.

Changes in demand and competition require the management to adjust their way of thinking and marketing strategies with the challenges from the environment. Redefining the market and competitive scope has been a continuous task, primarily of an enterprise's marketing management. Transformational changes enable the enterprise not only to deal with various activities, but to deal with them differently. On the other hand, important structural changes also characterize the consulting sector, primarily regarding networking of small consulting firms in order to meet the market's needs. Thereby, in most of market economies the economic development has been in significant correlation with the development of the consulting sector.

One of the ways to encourage development and quality of the local environment, *i.e.*, rhombus of national competitiveness in Serbia—are in fact clusters, even though the local business environment is not favorable for such forms of association. Clusters can be defined as critical masses of enterprises and institutions in one place, of unusual competitive success in certain fields [2]. According to Porter, strong competitive advantages in the global economy lie mostly in local matters—knowledge, relations and motivation—differences which cannot be copied easily, and which can be developed in the best way through clusters [2]. Associating into clusters is characterized by cooperation and connection (by unification and complementarity) of its members, their geographic, *i.e.*, local boundedness and active channels for business transactions and communication. They create a joint product and/or service or common resolution for some necessity or a goal. Main factors in development of clusters must be member enterprises. Only through their active participation will a cluster grow stronger and develop. Educational institutions also have their role and in some cases have played the role of a significant catalyst in development of clusters. Faculties can have an educational role, but they can also be the key factor in research and development, as well as innovation in clusters, the model of which is shown in Figure 1. All of these bodies can contribute to strengthening of development of clusters and have a legitimate role in its development. A significant characteristic of a cluster which arises from its essence

is—knowledge. Namely, in a business which is rich in knowledge, the significance of researchers, consultants and laboratories concentrated in one place rises and thereby increases the possibility to create such innovation, *i.e.*, value and quality of supply. Remote competitors cannot easily copy or surpass it [3]. Finally, local authorities, regional development agencies and other economic bodies have an important contribution in hastening the development of clusters by interventions, strategic guidance, donations, creating favourable development conditions, organizing educational seminars by regions, decreasing risk for starting a business or for taking loans, *etc.*

In most of cases, creating clusters by a “from bottom to the top” line, leads to a so called quasi-cluster, more precisely—associations, which have a perspective to become clusters in the future.

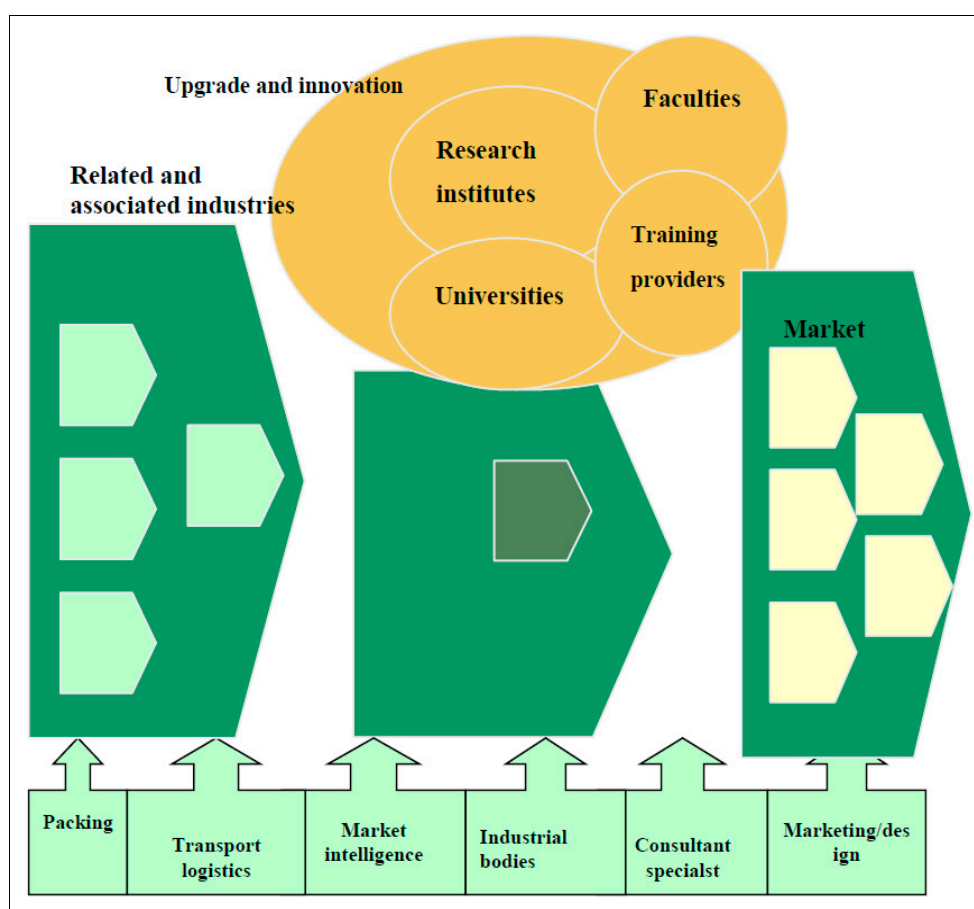


Figure 1. Model of clusters (Source: [4]).

Experience has shown that the biggest chance for success have clusters (initiatives) which have a consensus on common goals and activities, a clear framework for cooperation and which were formed based on their own initiative. In the Serbian economy, during the pilot program of clusterization, these are also the biggest problems. Namely, successful work of clusters is limited by high degree of distrust of members, lack of understanding of the concept of a cluster, the desire for horizontal association without readiness for deeper cooperation, insisting on individual problems and fear of losing autonomy of decision-making in a business. At the same time, absence and under development of institutional and infrastructural support largely complicates these processes in the Serbian economy. Cooperation among universities, scientific-research organizations and the economic sector has not been sufficiently developed [5].

Basic characteristics and resource potentials of agrarian clusters in Serbia are given as follows [6]:

- The biggest numbers of clusters are registered in legal forms of associations. Only 4 clusters (“Rakovica agro klaster”, “Plants United”, “Klaster Salaši Sombor” and “Agroklaster Obrenovac”) are registered as non-profit joint-stock companies.
- Clusters are young (most of them were registered after passing the Law on Associations, *i.e.*, after the year 2009).
- Clusters were in most of cases established or initiated by RDAs (regional development agencies), which have provided funds for the development of clusters through the EU projects or by applying for budget assets of the republic/province, city/municipality.
- Most often cluster members are the following: registered family agricultural husbandries, small and medium enterprises and entrepreneurs in the area of production of agro-food products, agricultural cooperatives, agricultural producers’ associations, as well as supporting institutions such as: schools and faculties, scientific-research institutes, certification houses, agricultural professional services, RDAs, experts of various profiles, *etc.*
- According to the organizational structure and set up network of participants, clusters look like associations, cooperatives or non-government organizations. Network of clusters’ participants with suppliers, enterprises in the related activities with supporting institutions, especially with scientific-research institutes in the field of research and development are insufficiently developed.
- Clusters have no critical mass of participants or resources. Lack of clusters’ critical mass is the result of the following factors: (1) absence of members that are big and market-strong enterprises/producers; (2) membership of some enterprise or institution is often just formal; (3) narrow geographic area of clusters (for example, “Klaster poljoprivrede Prigrevica”); (4) unnecessarily forming or initiating a big number of clusters in a narrow geographic area (for example, in the municipality of Obrenovac 4 agro-clusters were formed, in the municipality of Lazarevac 2 agro-clusters, in Sombor 3 agro-clusters).
- All of the surveyed clusters are characterized by the lack of sustainable and stable sources of funding for professional management and activities of a cluster, as well as great reliance on the project funding principle (along with budget or donor support).
- Production, finance, export and innovation capacities of clusters are low (low production level and poor market share, lack of financial assets for investing in mutual activities, directed to a domestic or narrow local market and lower processing phases products).
- Local character of clusters and not recognizable on market.
- Realization of goals. Even though all clusters’ goals are directed to an increase in competitiveness, production, export and innovativeness in agricultural production, in practice clusters’ activities are mostly realized only in segments: (a) promotion and internationalization (participation on fairs, study tours, creation of a clusters’ visual identity/logo and web-site of a cluster, *etc.*); (b) education (organizing seminars, trainings, conferences); (c) setting up formal cooperation/network among the clusters’ members (mostly only through forming a database on clusters’ members and their products).

Clustering of Serbian agriculture is at the very beginning. Clusters contribute to the development of competitiveness, through productivity growth and creation of innovation strategies. It can’t be lost out of

sight in the future periods, because it is when more intensive processes of creating and functioning of clusters should be expected. Engaging consultants enables agrarian clusters to learn about demand, competition and their own position on the market. Managers which are often unable to describe a problem adequately, should »entrust« them to consultants and provide them a realistic picture of their organization and problems they are facing. The relation between a manager client and a consultant is similar to the relation between a lawyer and his client. Information on market trends helps enterprises to redefine the existing market, to perceive the possibilities of coming back to lost markets, as well as to evaluate attractiveness of winning new ones. Market research allows enterprises to solve problems in their business efficiently. The consultants' role is to point out additional alternative directions for overcoming the existing problems, as well as the probability of success of each of the suggested solutions. However, it should be emphasized that marketing managers are carriers of the final marketing decisions, not the consultants.

2. Methodology

2.1. Sample and Survey Research

Since the focus of the subject of this paper is on using marketing consulting in agrarian clusters in Serbia, it is natural that the empirical research will pay special attention to it, even more because that area, as we assume has not been sufficiently analyzed, explored or even partially analyzed. The prevailing opinions should be subjected to a strict, scientifically-based control. Thus, as we hope, many dilemmas will be cleared and clear paths which lead to a significant improvement of the agrarian clusters' position on the market will be pointed out. Also reliable direction of further development will be determined. Empirical research of the influence of marketing consulting on agrarian clusters' performances in Serbia was carried out in May 2014, by a survey. The survey was completed by using three techniques:

- (1) telephone survey,
- (2) direct interview and
- (3) electronically.

Control was done by a procedure by which relevant conclusions for science were achieved—by data research in the field, specifically by collecting adequate data in agrarian clusters which operate in Serbia. Based on market analysis of the registered clusters in agriculture of the Republic of Serbia, it can be emphasized that the layout of clusters, observed by regions is as follows [7]:

- 9 clusters are located in the Belgrade region,
- 12 clusters in the Vojvodina region,
- 9 clusters are located to the region of Sumadija and West Serbia (including the group of raspberries producers in the Zlatibor region),
- 6 clusters are registered in the region of South and East Serbia.

Of the total number of clusters, the authors were not able to make contact with the managers of 6 clusters, so 83.3% of the total number of identified clusters were subject of market analysis. In the market survey the questions that were formulated were relevant for the realization of the research task,

i.e., questions related to: the level of usage of marketing consulting in agrarian clusters in Serbia, presence of consulting service providers by types, future demand of consulting services and funding models of consulting services. Also the nature of demand is analysed, as well as reasons for using marketing consulting in agrarian clusters in Serbia. After which the criteria for choosing marketing consultants in the agrarian clusters in Serbia was considered, in order to determine the key factors of selection with an emphasis on professional integrity, professional competence, cooperation and relations with a consultant, draft of the project task, ability to do the work, ability to mobilize additional resources, a price of the consulting service and a consultant's image. Types of business problems due to which agrarian clusters search for consulting services are also analyzed. It is first of all, about corrective, progressive and creative business problems.

In this paper it started from the following hypothesis: Use of marketing consulting improves marketing performances of agrarian clusters, which indirectly leads to improvement of their financial performance. The basis of the research hypothesis is the so called, PIMS program whose starting point is the influence of the market's strategy on an enterprise's profit, *i.e.*, it shows the connection between marketing and financial performance of an enterprise. As the set hypothesis is just an assumption, derived on intuition and other relatively certain strongholds, but it expresses nowadays prevailing opinion—it will be analyzed and succumb to strict control, so it will be either confirmed or denied. Whatever the outcome is—there will be benefits for drawing conclusions which could significantly influence on forming an official opinion, what should and in which order be done in order to accelerate the development of our agrarian clusters and their approach to the European Union requirements. This should be done in order to provide competitiveness on that market.

Enterprises often hire consultants for their external perspective and expert opinion, hoping that consulting interventions will improve their business performance. Many factors affect the enterprise's performances, which have interwoven and multiplied effect. Accordingly, researching the impact of marketing consulting on the performances of agrarian clusters in Serbia was based on application and adjustment of two, basically, similar approaches: (1) Balanced Score Card; (2) Consultant's Score Card.

2.2. The "Balanced Score Card" Approach

The approach of balanced standard system provides a way to adequately relate long-term strategic goals and short-term activities of an enterprise. In order to help an enterprise to plan more realistically and to measure the business' performances, Robert Kaplan and David Norton had developed it in the nineties of the past century [8]. At first, they developed a concept by which they desired to supplement the traditional financial indicators with standards which will show realizing of an enterprise's missions through three additional perspectives: (a) consumers; (b) internal business processes and (c) learning and growth. Consequentially, the need for balanced use of financial as well as measures which show progress in a business is required, observed through a prism of: (1) consumers, *i.e.*, from the perspective of marketing; (2) internal possibilities of the given enterprise to perform the necessary operations for servicing needs and desires of consumers and thereby achieve competitive advantages; (3) possibilities of an enterprise to follow a dynamism of the market and technological factors, through the processes of innovations and capitalization of the learning curve, and thereby hold and increase its competitive advantage.

The mentioned factors are the main starters of future financial performances of an enterprise and operational standards of a business' success. Taking that into consideration as well as starting from the stand that nowadays, in time of IT domination when the ability to manage the so called, intangible assets is getting significant—a concept which has been developed is *Balanced Score Card (BSC)* instead of investments in tangible assets. Robert Kaplan and David Norton compare the meaning of the BSC concept with indicators and clock faces of a pilot's control table in a plane, which has to use detailed information on fuel, height, distance and other data which shows the current and future situation in order to be able to fly it. This is a picturesque analogy of managing an enterprise, whose business is under the influence of numerous factors. The BSC concept requires from a manager to observe the business from four important aspects:

- How consumers see us (the consumers', *i.e.*, marketing perspective),
- How and in which area to achieve critical excellence (internal possibilities perspective),
- Can the enterprise continually improve and create value (developmental perspective, *i.e.*, the ability to innovate and learn),
- How we look at the stockholders (the financial perspective).

The process of business management should be perceived through the prism of previous perspectives, in order to provide connection of the long-term strategies with short-term actions, through transparency of goals, standards and initiatives. Accordingly, it is necessary to present every perspective through goals, measures and initiatives.

In accordance with this concept, and the goal to see the consulting services' impact to an enterprise's performance in the agro-complex of Serbia the previous four aspects were represented in form of numerous components.

2.3. The “Consultant's Score Card” Approach

The consulting impact on the agrarian clusters' performances in Serbia was analyzed by the method of consulting participants' evaluation (Consultant's Score Card methodology). The research included numerous variables which affect an enterprise's performance in the agro-complex. Those variables were used in a questionnaire in the form “to assess that and that characteristic”. The variables are questions from the questionnaire. Each variable has a value from 1 (minimum value) to 5 (maximum value). Due to the complexity and diversity of the approach for collecting data on different levels of a consulting process (1-reaction and satisfaction, 2-learning, 3-application, 4-influence), the main phases of assessment in forms of techniques and questions were divided into several categories. Jointed, they make an impact chain by which project's success is provided. The participants in the consulting project must have positive reactions to the project and its potential implementation, for which they will be additionally trained. It is necessary to change the behaviour of the people who do the work, in their actions and tasks, in order to achieve a positive application of the project. In nowadays conditions, when all services primarily face the user and put him in the first place, it is important to measure his level of satisfaction. Consulting company can hardly continue its business without continuous specialization, which can be realized through data and positive reactions of users. It is important to consider different types of users, which have been connected to the project. There are three types of users in almost every aspect of a consulting intervention [9].

Firstly, individuals who are directly connected to the project have a direct role in the project and often call themselves the participants in consulting. They are “the key participants”, which have been under a direct impact of the consulting intervention and, due to it, they often have to change their working procedures and additionally adjust their work, associated with the project. Other than that they often have to learn new skills, tasks and behavior so that the project can be successful. They are very important for the project’s success and the data provided by them is of great importance for adjustment and changes in the project during its development and implementation.

Second group of users are those who are sidelined and not directly involved, but who have a certain interest in the project. Those “followers”, as they are sometimes called, have an interest in the project and support it in a way. Their experience of the success or potential success of the project is a significant feedback, because this group of users will be in a position to affect the project in the future.

The third group of participants is maybe the most significant. This is a group of clients, which pay for the completed job. These individuals or groups of individuals search for consulting projects, support the projects, “approve the budget”, set aside assets and finally live with the success or failure of the project. This group must be completely satisfied or, with today’s consulting warranties, will not pay for the project. The level of a client’s satisfaction must be determined at the very beginning (and again at the end of the project), and in the meanwhile some necessary adaptations and adjustments must be made. Consequentially, surveyed in the research were:

- (1) Managers of agrarian clusters,
- (2) Coordinators of consulting projects,
- (3) Other participants of consulting projects in the agrarian clusters, which are under the influence of the consulting projects.

3. Results and Discussion

3.1. Using Services of Marketing Consulting in the Agrarian Clusters in Serbia

Results of the survey show that 41% of the surveyed agrarian clusters in Serbia (which had not used marketing consulting previously) plan to use these services in the future period (Table 1). Taking into consideration that 30% of the surveyed agrarian clusters have used marketing consulting services, such business expectations should contribute to development of the consulting sector in Serbia. The agrarian clusters which used marketing consulting, 20% of them, have used these services in the first year of a cluster’s founding, 40% in the second year and 40% in the remaining period.

Table 1. Using services of marketing consulting in the agrarian clusters in Serbia.

Using Services of Marketing Consulting	% of Agrarian Clusters
(1). Used services of marketing consulting	30
(2). No, will not use the consulting services in the future	29
(3). No, but plans to use consulting services in the future	41

Sources: Authors.

In regard to it, *James Phills* differs 2 types of barriers for learning in this context [10]. Cognitive barriers can appear to managers as the result of the fact that consultants often use different, very complex

concepts to define the problem. Motivational barriers refer to the resistance created when the way on which the problem is defined requires the assessment of previous performances.

In other words, members of the organization will probably hate and reject those definitions of the problem which concern the manner in which they were seen in the organization and which could jeopardize their future status. The necessity of marketing consulting comes from the nature of the problem with which agrarian clusters are faced with in Serbia. It is about business problems for which routine solutions can't be applied.

Also, there is a large volume of conflict in interests that make it difficult to find a satisfactory solution. Consultants are objective and impartial, so they identify the problem more easily, then generate ideas according to which they suggest concrete actions. Consulting service serves the interests of a client, only if a consultant performs his activities professionally.

Professionalism of a consultant reflects in an independent opinion, even if it differs from the one a client would want to hear. Consultant's impartiality requires significant self-control, especially when working with people of various religions, nationalities or political decidedness. Consulting services should not be emotionally colored or based on prejudices. Still, as most common reasons for not using marketing consulting services, the following are pointed out:

- Lack of information on the positive effects of consulting: 25%,
- Lack of trust in consultants: 25%
- High price of consulting services: 30%,
- Other: 20%.

Marketing consulting has had very rapid development in past two decades. Enterprises often hire consultants for their external perspective and expert opinion, hoping that a consulting intervention will improve their business performances. Numerous factors which have an interviewed and multiplied significance affect the performances of agrarian clusters. Survey results point out to a fact that the factors, which have the most important influence on the performances of agrarian clusters, are the following: management, finances, education, political stability and liberalization, marketing consulting services (Table 2).

Using marketing consulting services is the result of long-term cooperation between a consultant and a cluster. That is to say according to the answers of the surveyed agrarian clusters the marketing consulting service is:

- Onetime project: 10%,
- Result of long-term cooperation of between a consultant and a cluster: 87%;
- Other: 3%.

In the previous period in Serbia, production orientation agriculture which had not respected market requirements has dominated. Enterprises lost their brand and traditional markets. Improvement of their business performances requires the constitution of market-oriented enterprises, which can be achieved by structural changes, directed towards improvement of business efficiency and adjustment to market requirements. Development of agro-complex enterprises in terms of intensive transformational changes requires much more expert knowledge, abilities and skills compared to the developed market economies, in which there is great accumulated knowledge and experience. At the same time, modern agricultural production implies modern technologies. Accordingly, aiming to meet the EU standards, it is necessary

for the consultants to have new specialized knowledge, and build relations with their clients based on trust, knowledge, credibility, understanding and creativity. The consultants actually become the part of a client's organization in a certain period.

Table 2. Average rating of the impact of some factors on the performances of agrarian clusters in Serbia.

Factors which Affect the Performances of Agrarian Clusters in Serbia	Average Rating
(1). Management	5
(2). Finances	5
(3). Education	5
(4). Political stability	4.5
(5). Market liberalization	4.5
(6). Services of marketing consulting	4.2
(7). Business strategy	4.2
(8). Competition in the field	4.1
(9). Innovations of an enterprise	4.1
(10). Technological development	4
(11). Institutional infrastructure	3.9
(12). Taxes	3.8
(13). Privatization of enterprises	3.7
(14). Business incubators	3.5
(15). Prices	2.9
(16). Exchange rates	2.5

1: minimum score, 5: maximum score. Source: authors.

3.2. Types and Funding of Marketing Consulting in the Agrarian Clusters in Serbia

Most important services of marketing consulting that have been used by the agrarian clusters in Serbia are: market research, presentation and promotion of products, development of new products. It is noticeable that it is most often about single, additional and complex business activities. Market consulting services are provided by: institutes 60%; private consulting companies: 35%; individuals as independent consultants 5%. However, even though they encounter many difficulties the agrarian clusters in Serbia use their own assets (60% of the surveyed agrarian clusters) for funding marketing consulting services. Also, a significant number of the surveyed agrarian clusters use assets from the programs of international financial organizations (30% of them). Finally, 10% of the surveyed agrarian clusters in Serbia use other sources of funding for marketing consulting. Funding consulting projects doesn't mean anything more than funding business ventures. Method of funding a project does not differs from current operations funding. What makes funding projects different from funding current operations is the scope and complexity of funding [11]. For example, regarding investment projects which require large amount of funds, consortium is often formed in order to disperse risk and collect critical mass of funds necessary for a project's initiation. Usually, fewer funds are obtained by selling stocks, and majority by credits and other sources.

Managers of enterprises spend most of their time and energy in identifying and analyzing the business' problems in order to find efficient solutions. Internal management teams solve most of the

problems in the field of management within their daily routine activities. When one problem is solved, another on which they should focus appears and that's how the work is carried out. However non-structural problems appear where routine solutions cannot be applied. They become the subject of serious consideration. It often happens that the managers avoid them, or talk about them often, but no decision is being made. Causes of such kind of business problems are numerous and often mutually intertwined. It is usually about innovations, ambiguity, complexity, fast changes of a problem's essence and size, conflicts of interest, long-term impact to the business' future, *etc.* For example, managers believe that their enterprise's position on the market will be seriously jeopardized when a competitive enterprise launches a new product, but no one is able to propose a measure in this regard.

In specific situations it is more purposeful to engage a consultant to deal with that kind of problem, rather than spend time and money in searching for a solution that exceeds an enterprise's capacities. Some managers are not involved in identifying business' problems and with the arguments "for" and "against" on the use of consulting services, but are guided by the feeling that a consultant can do the job. On the other hand, a decision on using consulting services can be emotionally colored, if a manager is impressed with broad knowledge and professional approach of a consultant. Still, managers must be pragmatic. Accordingly, managers should have characteristics such as: creativity, innovativeness, imagination, high motivation, leadership, as well as a habit for oral and written communication. Also, in order to manage an enterprise successfully, a manager must have self-confidence, ability to solve a problem with haste, planning skills, business skills, skills regarding human relations and the awareness on personal strengths and weaknesses [12]. If a manager is serious in his intentions to hire a consulting organization, he should primarily want to be sure that his decision will be completely justified and supported within an enterprise. A manager must be sure that an adequate consulting organization will be chosen and that the enterprise will have clearly defined positive effects from the consulting project.

3.3. Criteria for Selecting a Marketing Consultant

Competence criterion, in most of cases, is a necessary condition for the selection of a consultant. Only those consulting organizations, which show the necessary competence can be included in the shortlist and evaluated according to other selection criteria. This criterion has the highest average grade according to responses of the surveyed agrarian clusters in Serbia (1-minimum rating, 5-maximum rating). In accordance with the estimated importance of some criterion for a consultant's selection, their order of importance on the hierarchy is shown in Table 3.

The agrarian clusters in Serbia agree in one thing: the issue of consulting service's price cannot be more important than the professional integrity and professional competence of the consultant. On a scale from 1 to 5 (1-the least important criterion in the consultant's selection; 5—the most important criterion in a consultant's selection) the price of consulting services has the lowest average rating (3.42), opposite to professional competence with the highest rating (4.82). The results of the empirical research coincide with recommendations of some international associations of consultants. For example, the International Federation of Consulting Engineers (FIDIC), recommends the clients to select a consultant according to his ability, not price.

Table 3. Evaluation of basic criteria in selection of marketing consultants.

Criteria of Selecting Consultants	Average Rating of Essentiality of Certain Choosing Criteria
(1). Professional competence	4.82
(2). Professional integrity	4.63
(3). Project task draft	4.28
(4). Ability to perform the work	4.15
(5). Cooperation and relation with the consultant	4.12
(6). Ability for additional mobilization of resources	3.78
(7). The consultant's image	3.56
(8). Prices of consulting services	3.42

1: minimum score, 5: maximum score. Source: authors.

Involvement of managers in the work of a consultant is the basic principle of modern consulting. Integration of consultants and managers is more likely to lead to the solution of a problems and better knowledge transfer. The role of consultants is to encourage managers to think creatively, which is the basis of managerial skills development. Consequentially, as a reply to the question—*Name the basic reason for using marketing consulting services, 95% of the surveyed agrarian clusters stated that insufficient managerial abilities and skills are dominant factors for using marketing consulting services.*

3.4. Types of Business Problems

In principle, managers in the agrarian clusters in Serbia invite consultants when they need help in solving the problem they face. The term “problem” is used here to highlight the situation in which management, concerned about an enterprise's destiny, has no idea what to do, where to start or how to carry on. Of course this is a general definition of problems in management, but it suits reality. Really, the range of problems which are entrusted to consultants is wide. From the aspect of quality or seriousness of the situation, consultants can be hired to correct a certain situation (corrective problem), improve the existing situation (progressive problem) or create a brand new situation (creative problem). Types of business problems due to which marketing consulting services in the agrarian clusters were used are shown in Table 4.

Table 4. Types of business problems for which you used marketing consulting services.

Types of Business Problems	% of Agrarian Clusters
Corrective problems—removing bad aspects of operations in an enterprise	10
Progressive problems—further improvement of favorable aspects of operations in an enterprise	30
Creative problems—support in formulating and carrying out new strategies and initiatives	60

Source: Authors.

It is noticeable that the agrarian clusters in Serbia hire marketing consultants mostly due to progressive and creative problems. The share of agrarian clusters which use marketing consulting for solving corrective problems is the smallest (10% of the surveyed agrarian clusters). It is somewhat understandable, since the consultants avoid enterprises which are in liquidity and solvency crisis, first of all, due to fear of image and fee loss.

3.5. Impact of Marketing Consulting on the Performances of Agrarian Clusters

The surveyed agrarian clusters in Serbia have assessed the impact of marketing consulting services on their performance, with the highest rating for: consumer's satisfaction (4.53); positioning on the market (4.24); quality of products (3.94) and sale income (3.61). The research has confirmed the research hypothesis which is based on the PIMS program (Profit Impact of Marketing Strategy), according to which there is correlation, *i.e.*, conditionality of marketing and financial performances. That is to say, there is a connection between marketing, *i.e.*, psychological categories such as consumer satisfaction, on one hand, and financial variables, *i.e.*, sale income on the other. Simply, consumer satisfaction leads to their loyalty, which initiates repeated purchases. Consequently, repeated purchases increase sale income and the profit of agrarian clusters. Assessment of marketing consulting's impact on the performances of agrarian clusters in Serbia is given in Table 5.

Table 5. Impact of marketing consulting on the performances of agrarian clusters.

Performances of Agrarian Clusters	Average Rating of Marketing Consulting's Impact on the Performances of Agrarian Clusters
(1). Satisfaction of consumers	4.53
(2). Positioning on the market	4.24
(3). Quality of products	3.94
(4). Sale income	3.61
(5). Cost structure	3.45
(6). Skills and knowledge of employees	3.35
(7). Value for stockholders	3.12
(8). Management	2.93
(9). Internal business processes	2.75
(10). Organization of enterprises	2.56
(11). Number of workplaces	2.32
(12). Impact to the society	2.12

1: minimum score, 5: maximum score. Source: authors.

Finally, the surveyed agrarian clusters were asked to assess their benefits from marketing consulting (Table 6). The surveyed clusters gave the highest rating to two approaches, specialist knowledge and best practice (average rating 4.7). Marketing consulting is the result of a manager's need for integrated and complex market information. In order to come to transfer of consulting knowledge and development of managerial skills and abilities, it is necessary to fulfil some conditions. First of all, the most important are integrity and competence of a consultant. Business integrity, *i.e.*, ethics of a consultant contributes to image and reputation, and it is the most important factor of competitiveness on the consulting services market.

Cooperation between a consultant and a manager, based on ethics contributes to the development of managerial skills. Thereby, it means that consultants and managers have no hidden intentions or interests, *i.e.*, they have a common goal to solve the business' problems. It requires business competence, which comprises of: competence of a consulting company and a consultant as an

individual, detailed knowledge of the branch in which a client does business, detailed knowledge of the country and culture of a client, presence of creativity and innovations. A manager must have the desire to acquire new knowledge and a motive for new achievements. Comparing with work results of managers in successful companies, consultants can motivate managers-clients to continuously learn and improve. A consultant's work is based on creating new solutions. It is achieved in cooperation with managers, which are active partners of their consultants.

Table 6. Benefits from marketing consulting.

Benefits from Marketing Consulting	Average Rating
Approach to specialist knowledge and best practices	4.7
Change process is alleviated	4.3
An opinion from a neutral external observer is obtained	3.8
Learning through the process of marketing consulting	3.6
Intensive professional services are provided	3.3

1: minimum score, 5: maximum score. Source: authors.

Consulting organizations mutually differ by model of funding, their organization and thus by the consulting process. Different consulting models have always been directly and indirectly determined by the social context in which the consulting institutions should work [13]. At the same time, it is also important to point out the existence of increasing specialization of consultants for the specific fields. In the sector of agro-business, consulting represents one of the most significant factors of business modernization. In favour of this observation the fact that should be stated is that investing in consulting (and agricultural research) brings around 40% of the average rate of earnings, which is “much more than other investments in agricultural development” [14].

4. Conclusions

Significance of the subject that was analyzed in the paper is multiplied by the fact that special emphasis was put on agrarian clusters in Serbia, as well as its actuality. This is why it was necessary to do some forms of pre-research, testing, to study the available literature, to analyze the processes in this field which take place in developed European economies, as well as behavioral phases of the surrounding countries which are near the end or had ended the transition. Survival and development imply investing efforts in re-evaluation and re-affirmation of competitive advantages of enterprises and their positions on the market. In order to achieve this even big and world famous enterprises hire well-known consulting houses on the fully developed European market, and set aside significant assets to do that. This is the way Serbian economy needed to go on because this is the only way that leads to accessing the EU's economy, *i.e.*, to survival, stabilization and development.

The empirical research has confirmed the starting general hypothesis—Using marketing consulting improves marketing performances of agrarian clusters, which also indirectly leads to improvement of their financial performance. As the base of the set up research hypotheses is the so called, PIMS Program (Profit Impact of Market Strategy) which starts from the influence of market strategy on an enterprise's profit, *i.e.*, it shows the connection between marketing and financial performances of an enterprise.

The research showed that there is connection between marketing, *i.e.*, psychological categories, as the consumer's satisfaction, on one hand, and financial variables, *i.e.*, sale income on the other. Simply, the consumer's satisfaction leads to their loyalty, which initiates repeated purchases. Consequentially, repeated purchases increase the sale income and the profit of agrarian clusters. Hiring marketing consultants by the agrarian clusters in Serbia can be understood as their investments in know-how, *i.e.*, intangible assets of the agrarian clusters. Economic effectiveness of such understood investment will be greater if during the consulting process transfer of knowledge from a consultant to a client occurs, in such a way that a client can individually solve or avoid a similar business problems in the future. Of course, this doesn't terminate the need for consulting, because there are also other aspects of business of agrarian clusters, which require additional professional support and transfer of knowledge.

Determining the influence of consulting service's impact on performances of the agrarian clusters in Serbia is a very complex process, from the point of view of consulting offers in Serbia, to the situation in which the agrarian clusters are. Numerous factors that have intertwined and multiplied effect, affect the performances of agrarian clusters. The survey results point out that the factors which have the most significant influence on the performances of agrarian clusters are: management, finances, education, political stability and liberalization, and services of marketing consulting.

Surveyed agrarian clusters have shown that insufficient managerial abilities and skills are a dominant factor for using marketing consulting services. Most significant services of marketing consulting that are used by the agrarian clusters in Serbia, are: market research, presentation and promotion of products and development of new products. It is obvious that it is most often about onetime, additional and complex business activities. Marketing consulting services were provided mostly by institutes and private consulting companies.

At the same time, next to many encountered difficulties, the agrarian clusters in Serbia use their own funds for funding services of marketing consulting and after those, assets from the programs of international financial organizations. Consulting services funded by international institutions are mostly provided via consulting programs which are coordinated by regional agencies for small and medium companies, chamber of commerce and other institutions which provide consulting support to companies in Serbia.

In specific situations it is more purposeful to hire a consultant to solve a specific business problem, than to spend time and money in searching for a solution which exceeds their own capacities. Special attention should be paid to the selection of a consultant, as soon as possible in Serbia, *i.e.*, in its agrarian clusters, since awareness on the criteria for consulting service's selection has not been commendable. In the research the assumption on which this paper started was based on modest experience information acquired by reading professional literature. The question of importance of some criteria for selecting a consultant was tested by the agrarian clusters' criteria evaluation, in order to determine the real state in this field. The agrarian clusters in Serbia agree on one thing: the issue of the price of consulting services cannot be more important than the professional integrity and professional competence of a consultant. On a scale from 1 to 5 (1-the less important criterion of a consultant's selection, 5-the most important criterion of a consultant's selection), the price of consulting services has the lowest average rating (3.42), opposite to professional competence with the highest rating (4.82). Empirical research results coincide with the recommendations of some international consultant associations. For example, the International Federation of Consulting Engineers—FIDIC proposes to clients to select consultants according to their capability, not according to price.

The scope of problems trusted to consultants is very large. From the point of view of quality or seriousness of the situation, the consultants can be hired to correct a particular situation (corrective problem), to improve the existing situation (progressive problems) or to create a completely new situation (creative problems). Agrarian clusters in Serbia hire marketing consultants mostly due to progressive and creative problems. The share of the agrarian clusters which use marketing consulting for solving corrective problems is small (10% of the surveyed agrarian clusters). It is partially understandable, since the consultants avoid the enterprises which are in liquidity and solvency crisis, primarily due to fear of losing their image and fee. Also, when evaluating the benefits of marketing consulting, the surveyed clusters gave the highest rating to two approaches, specialist knowledge and best practices. Marketing consulting is exactly the result of a manager's needs for integrated and complex market information.

Survey results show that 41% of the surveyed agrarian clusters in Serbia (which have not used marketing consulting until now) plan to use these services in the next period. These business expectations should contribute to the development of the marketing consulting sector in Serbia, which will additionally affect marketing and financial performances of agrarian clusters. This trend will not easily change in the foreseeable future due to at least one reason: global economy is becoming more and more complex. In big companies and clusters the need for cooperation and coordination will increase. New technologies, such as artificial intelligence, will probably change this picture soon.

Namely, in order to make the market sustainable agrarian clusters initiated the need for marketing consulting. Consulting organizations help agrarian clusters in achieving their goals, solving problems regarding business and management, identifying and using new possibilities. There is lack of knowledge in the field of business planning in the domestic economy, which is crucial in the establishment and further development of agrarian clusters. The essence of the necessary changes can be defined as a part of the new entrepreneurial society, which encourages risk-taking and makes new entrepreneurial knowledge.

This paper had pretensions to point out to many issues regarding this problem, to start solving them and to inform the interested active participants. Thereby, focus is on the role and significance of marketing consulting, methods of their use and everything that might contribute to the benefit and improvement of agrarian clusters.

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Author Contributions

The author Drago Cvijanovic is responsible for the work on pages from 1099 to 1104, the author Branko Mihailovic is responsible for the work on pages from 1104 to 1108, the author Miroslav Cavlin is responsible for the work on pages from 1108 to 1112, and the author Gordana Cavlin is responsible for the work on pages from 1112 to 1115.

Conflicts of Interest

The authors declare no conflict of interest.

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