

THE ANALYSIS OF COORDINATES SPECIFIC TO THE POTENTIAL OF A COMPANY MARKET

Ionel Gabriel Dobrin

"Dr gan" European University of Lugoj, Faculty of Economic Sciences,
Ion Huniade Street, No. 2, Lugoj, Romania, gabrieldobrin.ued@gmail.com

Abstract

In the contemporary economy, it is easy to see that the market of a company is a dynamic market, subject to frequent changes. Across time, this market inside which companies act evolves from the point of view of its absolute and relative size, of the changes in its internal structure, as well as the change of its „physiognomy”.

This dynamic evolution of the company market is mainly determined by the dynamics of the emergence and development background which characterizes the company as a whole.

Key words: economy, market, company, demand, offer, sale, buy.

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Introduction.

The concept of market is the expression of the capitalization of a large and often heterogeneous spectrum of companies. Each organizational unit seeks to occupy the most favorable position on the market where it acts.

Based on its activity, the company will seek to strengthen or even to improve its gained position in the current economic context. Furthermore, the achievement of this goal implies the strict delimitation of its own coordinates on the market, on one hand, and the presentation of the main characteristics specific to the organizational unit compared to the contemporary competition mechanisms, on the other hand.

Literature review.

The sphere of display and of confrontation between demand and offer as a consequence of sale – buy processes is the market in its whole (Cornescu *et al.* 2005). Seen as an independent economic agent, the concept of a company specific market is part of these general coordinates (Pris caru *et al.* 2009).

The organizational unit acts on this market either through the products offered for sale or through the services performed; all these fundamental elements certainly represent the company's current offer. It will closely seek to partially or totally satisfy a demand of consumers from that specific market (B dru *et al.* 1999).

Methodology and data.

The company market is defined as the actual degree or the potential of breakthrough or consumption of the products or services of a company specialized in producing or trading them. This market, seen from the point of view of the direct confrontation between demand and offer, objectively reflects the relations between the specific offer (that is one or more products or services), on one hand, and the demand related to it, on the other hand.

If seen as a subdivision of the general market, the market of a product can be appreciated by the specific degree of penetration, by its demand from consumers, as well as by its future trade potential.

The general market is made up of the many company specific markets on which they act, as well as from the total of markets of products that are the object of sell – buy processes. Through a simple logical deduction, we can conclude that the total of markets on which companies act is equal to the total of markets of products traded at a certain moment (Hete -Gavra 2009).

Also, the practical definition of the market directly comprises not only the real demand and the real offer, but also another series of elements, such as:

- the „unsatisfied” demand;
- the forming demand;
- the potential demand;
- the „passive” offer etc.

Thus, in a „virtual manner”, the market does not necessarily imply the existence of a market without demand or offer, this large notion gaining, in this respect, very precise practical meanings, such as:

- real or effective market;
- potential market;
- ideal or theoretic market etc.

The main objective of all market researches, especially of those directly referring to external markets, is the evaluation of their degree of economic independence.

The dominant element is the free market, made up of all the situations specific to sale – buy processes that take place inside some strict „barriers” imposed indirectly, usually through economic measures such as taxes and fees.

Inside the free market, the fundamental economic laws apply objectively and without restrictions, its mechanism being the central element specific to decision processes of an economic nature. At the same time, these laws are very important also for insuring the well-being of the contemporary society.

Thus, some of the important conditions decisive for the existence and correct functioning of the free market are:

- the total independence of companies;
- the real independence of companies;
- the decentralization of economic decisions;
- the multitude and plurality of holdings that exist in the present.

At the opposite pole from the free market is the controlled or planned market. Inside such a market, the sell – buy processes are rigged by the practice of various administrative measures, such as:

- the centralized imposition of market prices;
- the imposition of prices practiced by suppliers;
- the establishment of the main forms and means of transportation used;
- the process of establishing repartitions etc.

Regarding the company market, here there can be easily identified the following categories of specific customers acting on this market:

- individual consumers or the population;
- companies focused on productive activities and the use of material resources;
- agents or distributors;
- non-profit or non-lucrative organizations;
- government organizations etc.

Thus, the market that comprises the demand of individual consumers as natural persons is called consumer market.

Next, the business market is also presented; this is made up of all the organizational units or all the companies that purchase goods and services with the purpose of obtaining finite products or of performing other services that will subsequently be offered for sale on this market. The characteristics of this type of market are:

- a small number of large buyers;
- an inelastic demand, with great fluctuations;
- great interdependency between suppliers and clients;
- the use of professional sell – buy techniques etc.

A major criterion which brings important differences in the market structure is the object of transactions. Considering this, the company market is made up of two large compartments:

- the first big compartment is the material goods market;
- the second compartment is generated by the services market.

According to the productive or nonproductive destination of offered products or performed services, the two large compartments formerly analyzed each divide in two, that is:

- the division specific to the productive means market and the consumer goods market;
- the division focused on the productive services market and the consumer services market.

The productive means market and the consumer goods market are obviously the two major components that make up the material goods market. The differences between them are directly related to the sell – buy processes that take place, as well as the economic nature of the sellers and of the buyers.

It can be noticed that the productive means market is closely similar to the business specific market, while the consumer goods market is definitely similar to the consumer market. The similarities mostly appear because the buyers who act on the productive means market are usually organizational units (companies). On the consumer goods market, certain natural persons, as well as various legal persons (for example companies) act as consumers.

In what concerns the services market, there are two important service categories, according to their destination, that are the object of different market categories:

- the production services market, that focuses on the following activities: repairs, maintenance, technical assistance etc.;
- the consumer services market, that mainly addresses to the population and that comprises: services of a personal, individual nature, repairs of household objects, the delivery of tourist services etc.

If we look at the company market from the point of view of marketing approaches, it can be noticed that it uses a series of specific criteria and instruments in order to determine its actual content and size at the present moment. In such approaches, it is obvious that a clear distinction must be made between the two major markets: the actual company market and the potential company market (Criveanu *et al.* 2002).

The actual company market directly refers to both the size of the market at a certain moment and to the total market transactions carried on. It represents the place where the demand meets the offer of the market and is reflected in the entire sell – buy processes that actually take place.

The potential company market represents the total possible dimensions of the market, as well as the limits inside which the demand will directly meet the market offer. This type of market is realized with a certain degree of probability.

While the actual market refers to the quantitative needs of the present organizational unit consumers, the potential market also includes in its complex structure relative non-consumers, that is persons who are not interested momentarily in buying a certain product, because they temporarily lack the need and the motivation to do so.

The evaluation process of the scale of these markets (the actual company market and the potential company market) means to determine their area, their structure and their capacity.

According to the location or the position of the market where sell – buy relations take place, there are two types of markets:

- internal market;
- external market (all the existing external markets make up the international market).

The structure of the afore-mentioned markets can be carefully examined, this thorough analysis resulting into a specific territorial structure that is subject to

certain peculiarities at a certain moment in time. In this respect, we can differentiate the following main categories of markets:

- local markets;
- rural markets;
- urban markets;
- area markets.

Results and discussions.

The company market is a subdivision of the global market, according to its size, profile and business area. It is made up of well-determined segments, according to the existence of certain criteria. So, the company market does not have a completely unitary character, not even in the case of organizational units with a relatively reduced activity profile.

In order to monitor the market relations of a company, there is an obvious need to insist on the structural component of the context where the company evolves. It can be noticed that the structure of the global company market is highly complex. No matter the degree of complexity of this structure, the company market is a „unitary mechanism”, although it is made up of several independent market segments (these intermingle and influence one another at certain levels of intensity).

Concluding remarks.

All in all, it is easy to notice that the structure of the company market has a highly dynamic character. If we analyze the overall evolution of the market scale from a structural point of view, we will see that, inside it, great mutations take place, which are generated not only by the shift of quantitative proportions between its main components, by their replacement and redistribution, but also by the structural deepening of the market in its whole.

All these elements must be the basis of conceiving the future marketing strategies to be applied by the company.

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