

THE SPECIFIC MARKET RESEARCH METHODOLOGY USED AT GENERAL MOTOR'S EUROPE

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As difficult as segmenting consumer markets is, it is much simpler and easier than segmenting industrial markets. Often the same industrial products have multiple applications; likewise, several different products can be used in the same application. Customers differ greatly, and it is hard to discern which differences are important and which are trivial for developing a marketing strategy. Making the research at General Motor's Europe I realized that the most industrial marketers use segmentation as a way to explain results rather than as a way to plan. In fact, industrial segmentation can assist companies in several areas like: analysis of the market, selection of key markets and management and marketing. In this study I tried to make a better understanding of the total marketplace, including how and why customers buy and to develop strategies, plans and programs to profitability meet the needs of different market segments and to give the company a distinct competitive advantage. The Marketing Plan is based on an Information System which can be interpreted in two different ways. In this case its singular form focusing on both formal and informal information system is appropriate. The investigation explains the environment of the European Business Team . The techniques used were: system maps, observations, interviews, questionnaires and company documents. The initial stage of exploring the situation starts usually with a dialog between the potential client - in this particular case the European Business Team – and the analyst. The vague impression is then given that not everything is running as it should be by the client. This was, however, not completely true in my case, as I had to go looking for problems. Preliminary investigations into product communication did show a feeling of unease between the departments. Having expressed the current situation of the European Business Team , I then chose three areas to study further. I had to confirm my choice to be able to grasp the complexity of the working environment

Key words: Marketing plan, market requests

M: Business Administration and Business Economics; Marketing ;Accounting

1.Introduction

It is necessary to complete the conventional fact-finding for any study. For this investigation I used a number of fact-finding techniques. Some fact-finding techniques were not appropriate for every individual, due to the working environment. Fortunately I was able to use a variety of techniques to cover all the information I needed. The assumption was made that the fact-finding, that I completed for the Corsa Team, was also appropriate for the other Business Teams. Observation was probably the most important method of fact-finding for this investigation. Observations included reading memos and messages via Lotus Notes and listening to conversations at meetings and group discussions. Also my interviews allowed two way communication , thus clearing up any misunderstandings. The company documents were used in conjunction with all the other fact-finding techniques to support the later stages of investigation. In this study, I evaluated the specific modeling systems used at European Business team (EBT), part of General Motors Europe.

GME was established in 1986 and is a subsidiary of General Motors (GM), which was founded in 1908 by William Durant. Although GM is a well-known car manufacturer, it is not responsible for manufacturing cars within Europe. This lies with GME. GME consists of Vauxhall, Adam

Opel AG and Saab. To enable better co-ordination and to improve the competitive edge of the company, it was decided that the EBT should be located at Adam Opel AG in Russelsheim. This is due to the fact that Russelsheim is the headquarters of both engineering and design. The EBT follows the organizational structure of GME. This comprises of detailed objectives and goals laid out in a company profile. The EBT, however, is situated at Adam Opel AG. Opel is differently structured and houses other company objectives, which have been formed through many years of existence. In general, the company works on the basis of primary objectives, such as producing cars with a high margin. However, employees have their own objectives, which are based on personal experiences.

2. Investigation

This part of the study discusses two chosen areas which are the Marketing Plan and Market Requests. The area of Product Communication was the subject of another study before.

Using the techniques of Soft System Method (SSM) I constructed root definitions and conceptual models in line with systems thinking. This is then followed by a critical examination of the current cultural situation in the organization.

2.1. Marketing Plan

The Marketing Plan is a document that explains the strategy the organization will use to market its product. The information it uses can be classified as strategic information. It includes information on future markets, on availability of raw materials and on product development, in order to plan for the future.

Its purpose is to force the EBT to use long-term thinking in the attempt to be one step ahead of the competition. In short, it is used to improve the position of the product in the market.

The Marketing Plan is divided into 3 major categories:

Analysis

- Information is gathered on the appropriate areas. This information is compared with previous analysis of market trends.
- There are two forms of analysis.

External

- Current market (size, growth, segments, needs and behaviour)
- Competition (both existing and new)
- Environment (inflation, unemployment, recession, legalities, politics, technology, sociodemographics and culture).

Internal

- Product, brand, capacity, distribution, people & financial resources.

Strategy

- Here is decided which direction will be taken to market the products. The strategy includes a set of objectives for the NSCs to follow. Other aspects are the allocation of resources and the positioning of the product.

Action Plan

- This is a detailed description of the actions needed to implement the strategy. It gives reference to the Marketing Mix (product, price, promotion, people and place), the financial evaluation, and the organizational issues within the EBT and other departments.

A Primary Task Definition and CATWOE of the Marketing Plan

Root Definition

The Marketing Plan is a system in which the Strategists and Marketing Line Managers transform raw data from several sources into a structured Marketing Strategy in the shape of a Marketing

Plan for the National Sales Companies to follow. The Strategists and Marketing Line Managers are responsible to the Strategic Director of product Marketing.

The assumption is made that long term thinking improves the company's position and the company is better prepared than the competition. All this is done under the wider constraints of the economical situation, legalities and socio-and cultural demographics.

C - National Sales Companies ; **A** - Strategists, Marketing Line Managers; **T** - Raw data from several sources into a structured Marketing ,Strategy in the step of a Marketing Plan; **W** - Long – term thinking improves the company's position and the company is better prepared than competition; **O** - Strategic Director of Product Marketing ; **E** - Economical situation, legalities, socio-and cultural demographics.

2.2. Market Requests

This was an area of extreme controversy. The EBT experienced major problems with this issue. These problems include such things as disorganization and conflicts of interest.

Market Requests can be considered as another key task for the EBT. However, there are no guidelines set for the NSCs in the area of market Requests. There is no documentation for Market Requests and Market requests are normally done via Lotus Notes, telephone or fax.

Market Requests force the EBT to have direct contact with several other departments, in order to push the requests through. These departments include the Platform Business team (PBT) and Ordering Specification from the European Sales Operations (ESO).

Product Changes

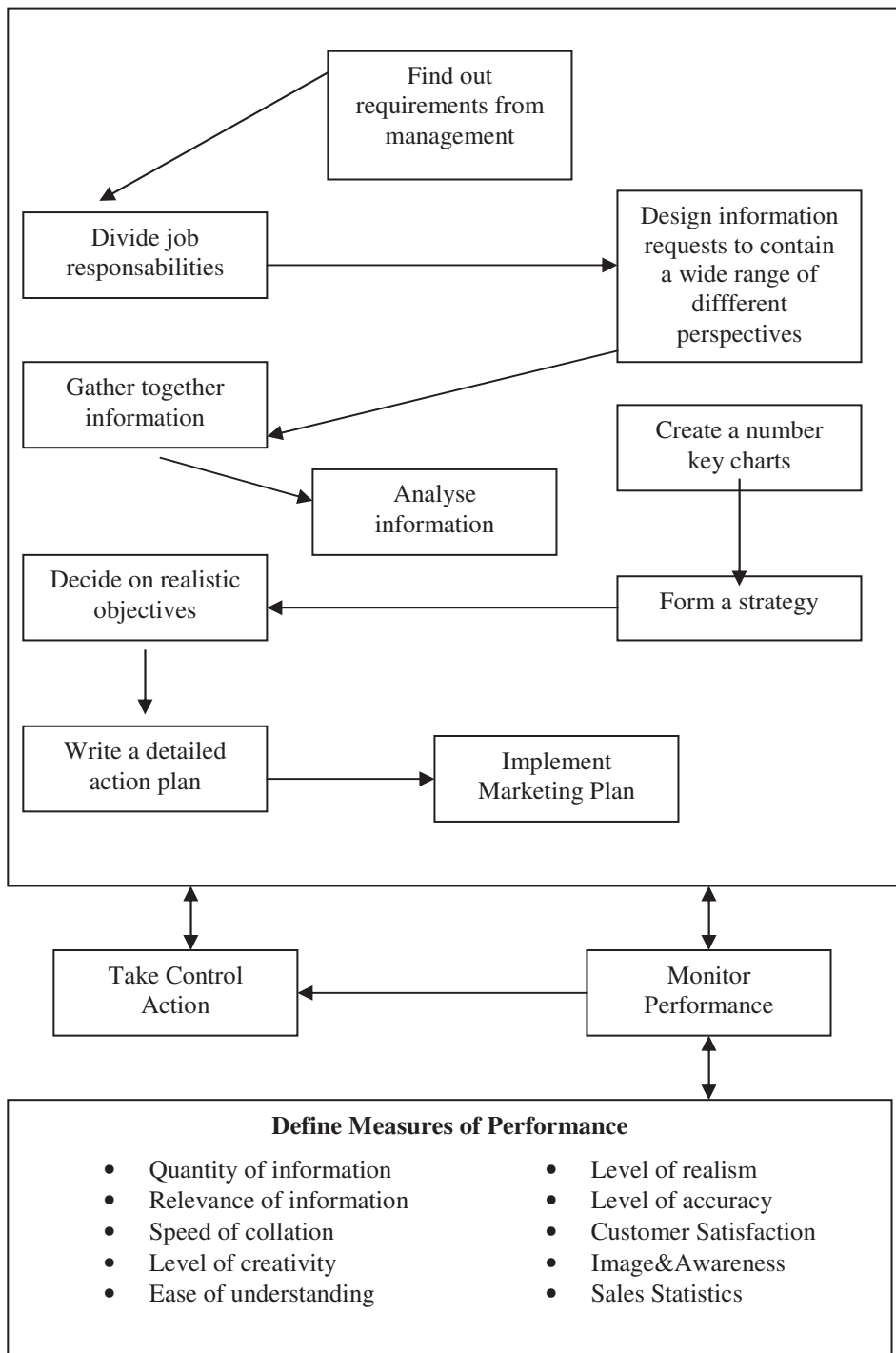
Market Requests are just one way of changing the product offer. Other procedures include quality improvements, continuous design improvements, supplier changes, life cycle changes, corporate mandate and government legislation.

A Primary Task Root Definition and CATWOE for Market Requests.

Root Definition

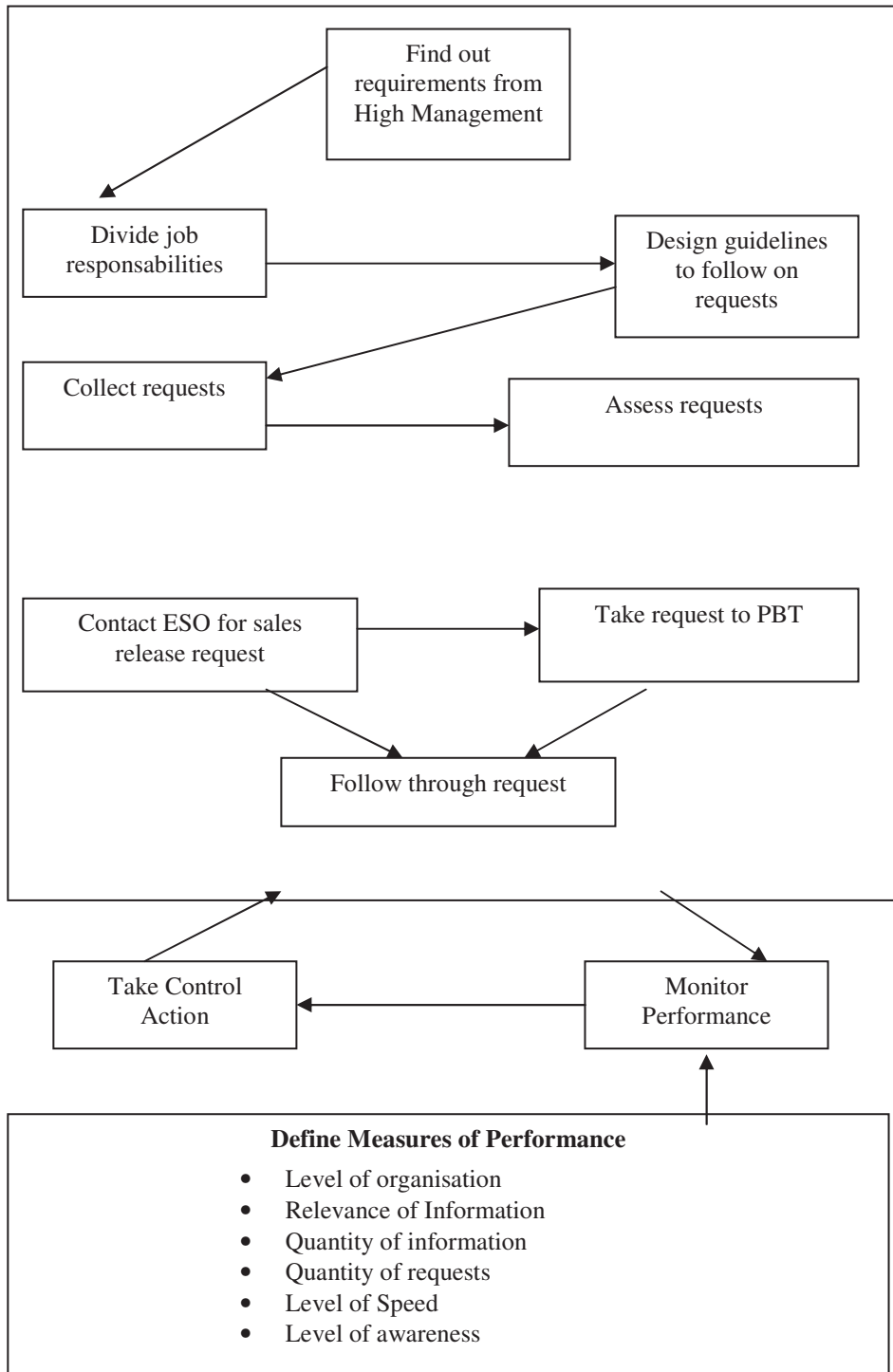
Market Requests is a system in which the Strategists, Marketing Line Managers, National Sales Companies, European Sales Operations and Platform Business team transform Market Requests into product change for the needs of the company as a whole. The Strategists and Marketing Line Managers, NSCs, ESO and PBT are responsible to high management. The assumption is made that this co-ordination of Market Requests improves organizational procedures and profit margins. All this is done under the wider constraints of technology, resources and raw materials, legalities and socio-and cultural demographics.

C -Company as a whole; **A**- Strategists, Marketing Line Managers ,NSCs, ESO, PBT; **T**-Market Requests into product changes; **W**-Co-ordination of Market Requests improves organizational procedures and profit margins ; **O**- High Management; **E** -Technology, resources and raw materials, legalities, socio-and cultural demographics



Sursa: ***, EBT:The Marketing Plan, Russelsheim, 2010;

Fig.no.1. A Conceptual Model of the Marketing Plan as a system to produce a structured Marketing Strategy in the shape of a Marketing Plan



Source: Own research and preelucration

*Fig.no.2. A Conceptual Model of Market requests as a system to produce changes
An Issue-based Root Definition and CATWOE of Market Requests from NSCs*

3.Conclusions

The company Adam Opel AG is extremely large and employs about 53,000 people. Within the company there are several major departments, such as marketing, personnel,

distribution, technical design and production. All these departments have their own individual cultures, however in general they share a common “role” culture and a similar hierarchical structure. There are strict procedures, that need to be followed for every small task, such as ordering a new PC to moving a car from one department to another. The great differentiation to the company’s role culture lies in its information management. Due to the introduction of modern technology, such as telephones and Lotus Notes, the company allows unstructured and uncontrolled departmental interaction. For example, it is possible to get in contact with any department just as long as there is knowledge of a contact person.

The organization of company information is chaotic, as there is no centralised system where information is stored.

The EBT is a fairly new entity, with an organizational structure based on the idea of Japanese-type group culture. This type of culture has proved successful from a departmental point of view. However, Opel has a totally different culture. This culture is based on a system of hierarchy. In other words, one is horizontally structured (EBT), while the other (rest of Opel) is vertically structured. The EBT’s structure monitoring of performance, work patterns and even language is different to the rest of Adam Opel. In some cases, this makes acquisition of information and communication in general a problem.

4.Bibliography

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