

DIRECT MARKETING OF AGRO FOOD PRODUCTS ON VIRTUAL MARKET

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The work proposes to explain the concept of Direct Marketing, its evolution from the Beginning to nowadays, as well as a forecast on developing business environment. The main objective is to present the implementation modality of direct marketing in agro food sector, by creating a virtual market.

The Internet largely dissemination and usage brought essential transformations of economical activities and guided to the creation of new products and services, new market rising and creating of new relations between economical agents.

Intensifying trend of these Direct Marketing activities is not at random, because of services market trend recorded Romania in last years.

The Direct Marketing means a very efficient specific tool that could be used on a much larger scale comparatively with what is happening on the Romanian market right now. So the Direct Marketing could be exactly focused into a potential target client group, having as advantage a high relative impact both promotional aspect and increasing of economical indicators as well as sales volume and turnover too.

***Why Direct Marketing?** It proposes specific targeted offers for specific market place; Producing of direct results and incomings; Direct Marketing is based on product selling and clear results, and not by establishing an image or name on market, that is specific of classic market policies; Direct Marketing research cost is much cheaper than in classic marketing research.*

Today, we can speak about a temporary evolution stage, where people must be informed. Concept launch was realized and the usage was well known but still at low level.

Key words: Direct Marketing, free zone, agribusiness

The change of world economy that have been made in last decade, and which is reflected in Romania too, and is manifested by the increasing of economies interconnection and is generated by globalization, lead to new forms of production specially based on outsourcing factors of production, decomposition of production, using on a large scale of information technology, rapid multiplication of small farms as well as is proliferation and diversification of economical associations forms between organization.

Political opening shown to the European Union, as well it is the integration already in progress of Romanian economy in European space and those in globalizing economy, bring for transition economy an amount of challenges on production diversify, adaptation to application, increasing productivity, ensuring quality standards imposed by Europe Union.

Unprecedented development of information technologies from past two decades, brought by lowest costs storage and fast transmission necessity of information, has revolutionized world commerce and retail, redefining the principle of classical marketing.

Upward trend of direct marketing activities is not at random because of service market trend record in Romania during last years.

MATERIAL AND METOD

The material published in this work was elaborated by a research of Direct Marketing development in Europe and United State of America as well as a research of its developing in Romania. The specialized literature studying and markets study too that has been made in domain are the base of the present work.

RESULTS AND DISCUSSIONS

All started in the 18th century in Europe, when printing spread in a large scale, encouraging the appearance of the first products catalogues; those were sent by post to the potential buyer that was living in the countryside. It appear first direct marketing form called *selling by mail* (VPC) – a system based on first hand direct communication with client, adapted and personalized depending of the needs and client possibilities.

Direct Marketing is the answer of the newest needs of society: that to be informed. Messages control is a primary requirement of the new century of communication and to resist we must obey a new God: the information.

A marketing modern activity presume not only creating of a good product, but establishing an attractive price and putting the at disposal of concerned customers. The Companies must communicate with their clients and what is communicating should not be casual [3].

Direct Marketing is a form of advertising that addresses to a well defined set of targets with the purpose of generating measurable results, using addressable media tools, like mail or e-mail. Direct market is using intensively data base.

Every media channel that could be used to send a direct message to a customer is used in direct marketing. Those media channel are that is addressable, differentiating of mass media as for television, the radio or billboards.

Most used media channel of direct marketing is *the direct mail* – sending of advertising material using post service to a specified address.

In many develop countries *direct mail* represent a big quantity from total volume of mail sending, so that there is special rates, lowest for that kind of

expedition. For situating in this expedition category, the advertising company is the sorting and formatting its materials that were sent in special ways defined by postal companies, that offer the shortest time for this and lower price too.

One of major problem in attempt to delineate the precise nature of direct marketing is the choosing of full definition. Continuous development of this area and increasingly higher impact of the marketing made more difficult to adopt a standard definition unanimous accepted.

As the Direct Marketing Association said, the direct marketing is “*an interactive system of marketing that is using one or more media method to have as effect answers or any location transactions*”.[6]

Jim Kobs in his book “The Profitability of direct marketing” said that “*Direct Marketing brings your announce to your potential customers for obtaining immediate reaction*” [1]. Usually by creating a data base with person that answer, Direct Marketing become the shortest way between seller, advertiser, and potential customer that is waiting to receive the message. This way is presented in *figure 1*.

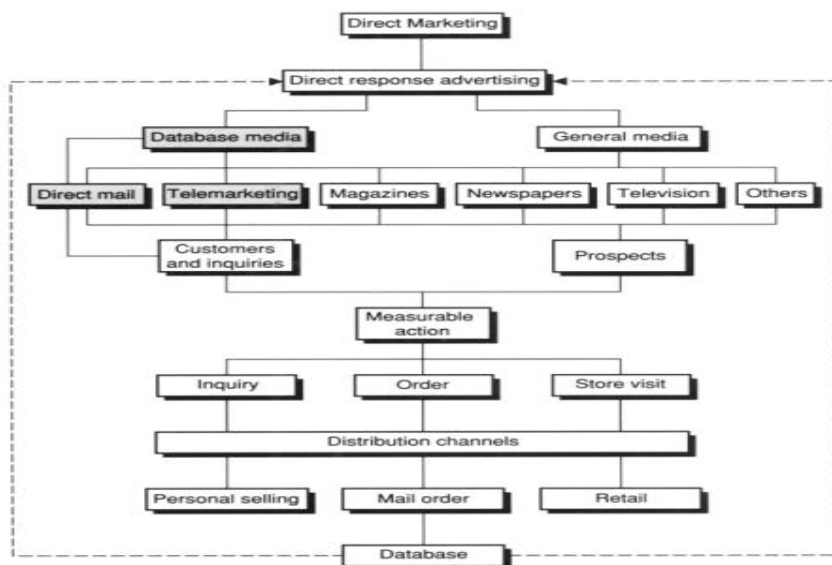


Figure 1 **Direct Marketing Chart**

Source: Adapted by „Direct Marketing Model” Jenkins și Baier Hake&Stone

The Europe problem regarding the user of direct marketing is aggravated by Government different laws and regulations. Free zone of Europe is simplifying the situation solving emerged problems by individual work and transportation, but cannot solve the problem of culture and language [2].

Sweden, France and Germany have the biggest structure regarding information protection. Different cultures aren't only different opinions. In terms of direct marketing are the different kinds of problem of approach. France, Germany,

UK, Austria and Switzerland are countries with a strong tradition in e-commerce, with a good infrastructures development of communication (post services, internet, telephony, couriers).

Nowadays in USA, there are over 4800 of Direct Marketing markets for the farmers that are operating of national level. Agricultural Department of United State of America – Agriculture Market Service manages programs that efficient by facilitate marketing fairs for its agriculture products as it is: diet, fibrous, specialization cultures.

Direct Marketing is still a sector that not enjoy of great popularity on Romanian market and that for ignorance. Although Romania is at a considerable distance of West Europe markets, the direct marketing is increasing yearly with sustained rates, located between 30% and 50%, and the weigh of this kind of marketing is increasing in total budget of marketing and telecommunication year by year. However the direct marketing specialists said that the market is in this moment at 15% – 20% of its potential, and it is going to have a positive evolution, pursuant of growing need of marketers to communicate direct with their customer.

Presently we can talk about a transitional stage of its evolution, in that the people must be informed and most important to be educated. Starting of concept was realized, and practice was assimilated, but still at a lower level.

The factors that influence the evolution of direct marketing: Level of socio-economic development; Cultural framework; Complexity of internet insertion in society life; The manner which operate with: postal services, telecommunication, audio-video; Competition.

At SMF's, the process of solution adoption of internet is slower from next reasons: Innovation costs; Low volume of transactions; Integration of internally problems with information systems; Integration problem of information system with business partners;

In this context must be present on the market for various actions which aim either a product lunch or strengthening an existing brand, or service or advertising. Anyone of internet action is generating marketing behavior, because at the end, this is the purpose as many people as possible to reach your information and take a decision as regards.

Let's have a look an internet user reasons, or "the rule of 3 C – Cauta, Compara, Cumpara". They search for internet information (and here marketing must be directed as the you find), comparing results (marketing is going to present the best possible) and buying (the market must know how to sell).

It becomes something usual that companies make known by internet network, publishing by web pages data about services that offer and products that they are selling.

Easiness that an online market is designed and the lowest cost for its function brings the presence on internet of a high number of sellers. In this, the condition struggle that leads you to be known must have one objective: satisfying of potential clients that visit your web site.

The farmer markets represent an integral part of links between rural areas and urban, they are more and more known once with increasing of customer interest in obtaining of fresh product directly from farms.

Designing of this market in virtual environment allow consumers to have access of local product obtained, giving the opportunity to farmers to develop a personal relationship with its clients, and increase the customer loyalty.

Whereas a business develop on internet is totally special from the classic one, the integration success of a farm on virtual market depends on factors as it is: *Building their image and reputation* – First must show what you know what you are doing and that you are a trust person. Once this is realized, the business start to increase; *Own time pacification and organization* – In online business case there are lots of things to do and many details to set up. Give a few moments for establishing of working plan; *Establishing objectives that you could achieve* – Splitting of main objective in secondary objective or small phases; *Establishing of on line links with clients and business partners* – Asked the main customers to help you with your web site working; *Changing of opinion between person that already have online business* – Joining to bull sessions groups and newsgroups that have as subject your activity domain; *Continuous learning process* – On the web things are permanently moved and changed, and you must be always on the top.

CONCLUSIONS

Accessibility of information technologies related to Internet, their low cost and relative independence of classical technologies, allowing to less developed economies and economic agents in these countries a rapid integration in this new area of activity.

Although there is a strong tradition of direct marketing at the European level there are problems with various laws and regulations that are in force independently in each state.

In the U.S.A, direct marketing in agriculture is of special importance to agriculture, with over 4800 direct marketing markets;

Online marketing can be an effective channel through which those who use online technologies in Romanian agribusiness, to make known the name on intern market and international.

Why choose the method of **direct marketing**? propose specific offers targeted to specific market; due to quantify results and the possibility of adjusting the program to achieve increased efficiency; generation of results and immediate income; thanks to information provided by data base direct marketing facilitate the establishment of human to human relationship, with the client and strengthening its fidelity; direct marketing is focused in products selling, for obtaining of tangible results and not for building image or gain notoriety, tools that is specific to classic advertising; it can be obtain an exactly evaluation of results at any moment of campaign; testing reveals which are the most adequate modality of communication for reaching the company objectives; the cost of an direct marketing campaign are

lower than if classic marketing campaign; there are high level of response compared to other countries that the system is quite old and know by prospects.

Traditional marketing which should not minimize the importance have to develop a new component called online marketing.

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