

# Change management as a marketing opportunity

Ivelina Kulova

University of Food Technologies – Plovdiv, Bulgaria

i.kulova@abv.bg

**Abstract:** Change is the only constant dominating business world today. How well managers cope with change has become a key skill which organizations look for. This applies in particular to marketing, where the rate of change is much faster than ever before. The purpose of this article is to reveal how change management can facilitate new marketing opportunities. The research methodology is based on an in-depth review and analysis of various qualitative and quantitative studies, of specialized literature in the field of change management and marketing. A model for change management in the marketing function is proposed, which helps a company to grow more innovative and with more marketing capabilities. This model improves marketing function through 5 steps: implementation of mission, vision and corporate values; implementation of information management systems; implementation of business culture of communication and brand identity; restructuring and optimization of processes and teams; continuous implementation of innovations and conducting trainings. It is argued that change management in the marketing department of a company under the influence of metamorphoses of external or internal factors can be seen as an opportunity for those managers who are agile, smart and visionary. The results summarized in this work may help marketing managers plan, implement and assess change processes, contributing to better company performance.

**Keywords:** CHANGE MANAGEMENT, AGILE MARKETING, BRAND IDENTITY

## 1. Introduction

Change management is related to restructuring companies, production, automation and digitalization, along which completely new units and need for specialists emerge, while old ones are closed or changed. It is also related to a change in the communication strategy in the cases where it affects large processes such as complete rebranding. It is common to talk about change management along with crises, and the crisis related to COVID19 has led to the need for rapid action and a number of changes in many global companies.

Contemporary life faces huge advances in all areas which in turn impacts directly or indirectly the business environment. In a fast changing environment, organizations, and especially their marketing departments, need to look for ways to deal with the unknown and adapt to the changes, minimizing their negative effects. Hence it is imperative for business organizations to build a firm and clear vision and strategy to understand the changes and navigate the situation.

The *purpose* of this study is to reveal how change management can facilitate new marketing opportunities. The *thesis* is that change management in the marketing department of a company under the influence of metamorphoses of external or internal factors can be seen as an opportunity for those managers who are agile, smart and visionary. The *research methodology* is based on an in-depth review and analysis of various qualitative and quantitative studies, of specialized literature in the field of change management and marketing.

## 2. Analyzes and results

Marketers neglected erecting a change management capability for a long time, resulting in a rather reactive behavior than cultivating an approach where they have control over their own fate. However, the courage to keep changing is at the heart of the business. Transformation at all levels in an organization is crucial.

Well-prepared companies and visionary managers stand ready to face upcoming changes, as well as quickly and easily manage situations before they grow into crises for the company itself, before the company ceases to exist or the brand disappears forever.

In one of his bestsellers, "Leading Change", John Kotter, an American professor, author, and consultant, defines 8 steps in managing change [1]:

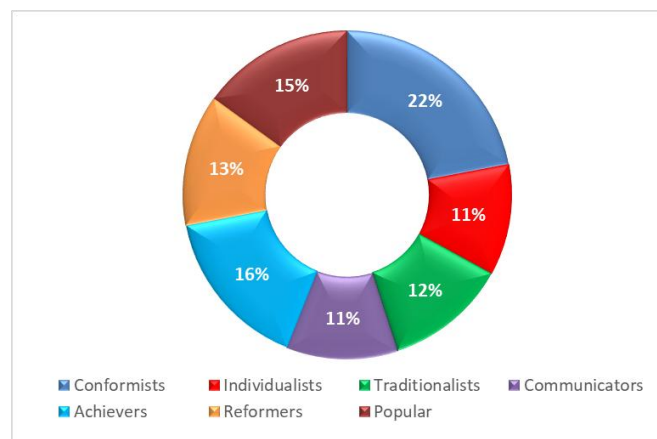
- Create a sense of urgency;
- Build guiding coalition;
- Form strategic vision initiatives;
- Enlist volunteer army;

- Enable action by removing barriers;
- Generate short-term wins;
- Sustain acceleration;
- Institute change.

According to Forbes [2], 62 % of employees interpret the change negatively and this makes them reluctant to leave their comfort zone. Understanding why people resist change may help leaders to manage the change adequately and create marketing opportunities. Kotter [1] outlines 4 main reasons for resisting change:

- Low tolerance for change. This is inherent in most people who are not in the group of Innovators.
- Parochial self-interest – the desire not to lose something they have.
- Misunderstanding of change and what follows then.
- Different assessments of the situation – a belief that the change is not applicable and is meaningless.

Psychographic segmentation is a research tool that allows to achieve a deeper understanding of the basic motives of people in terms of consumption and perception of innovation. This segmentation uses variables related to personality traits, values and lifestyles and identifies the shared characteristics of a specific group of people, showing why they make their choices in life and explaining their habits.



**Fig. 1.** A psychographic segmentation of the Bulgarian consumer

Source: According to Arbitrage [3]

According to marketing research [3], the psychographic segmentation of the Bulgarian consumer is dominated by conformists (21.6%), and they together with the individualists (10.6%) and the traditionalists (12.3%) form the largest segment.

The "reformers" (or so-called "innovators") are only 13.5%, and they are the group that would most easily accept organizational change, especially related to innovation, digitalization.

This makes change management easier if marketing managers know how to direct their approach to each group, how to communicate, which ones to bring as "ambassadors" of change, in order to be able to transfer their positive influence to more difficult or resistant-to-change groups.

Marketing activities are related to process management, inventory and warehouse logistics, time management. Any change in this long chain can lead both to an improvement in the process and to resistance within the team or in the way of work with clients. It is important for everyone "affected" to realize the need and benefits of the new and the call for change of the model. There are a number of companies that do not find it necessary to make changes and are so engrossed in the phrase "I don't have time" that they slow down their own growth and development.

In this regard, an effective model for change management in the marketing function is proposed, which would only make it easier for a company to grow more innovative and with more marketing capabilities.

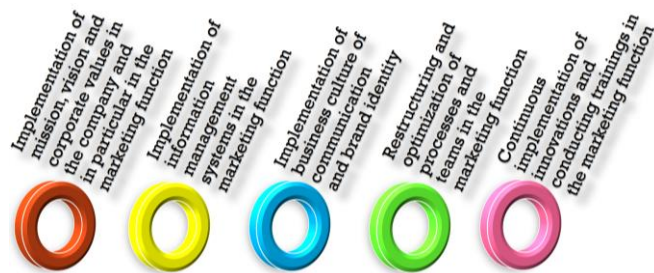


Fig. 2. Model for change management in the marketing function

Source: author's development

This model consists of the following components:

- ❖ *Implementation of mission, vision and corporate values in the company and in particular in the marketing function.*

Of course, these anchors must be in line with the vision of the business leader, but he must also set a personal example in following them. It is necessary to remind them to the whole team periodically. According to Forbes [4] 81% of those working for companies with a strong mission stated their stakeholders hold trust for their leadership team, whereas that number was 54 percent for organizations without a strong mission.

- ❖ *Implementation of information management systems in the marketing function.*

Many companies, for example, do not have CRM to manage their customer relationships. According to IBM [5] 74% of businesses increased customer relationships through CRM systems. It is essential to digitize as much as possible the information, marketing campaigns, communication with customers (for example, through autoreply chatbots, etc.). It is possible to use an infinite number of applications for this purpose.

- ❖ *Implementation of business culture of communication and brand identity.*

How is a customer's e-mail answered and when, how is information about an upcoming event summarized, what is the overall action plan? Are there ready-made scenarios, is there a back up plan? What do email signatures look like, is there a brand identity in the preparation of presentations, brand fonts, colors, etc.?

A Company Bible could be made with clear rules of communication, action, and behavior consistent with corporate values. Clear procedures and risk assessment scenarios could be developed to give employees confidence in how to react in certain situations. According to Forbes [6] consistent brand presentation across all platforms contributes up to 23 percent revenue growth.

- ❖ *Restructuring and optimization of processes and teams in the marketing function.*

There are a number of opportunities for optimizing processes in the marketing function by digitizing and redirecting the work of employees to more creative and strategic tasks for business development. Linear and vertical management have long since begun to be supplanted by more innovative and digital companies which are now talking about agile marketing. Agile marketing is a framework that enables teams to do work in short cycles. Well-defined projects are completed cooperatively. The agile teams measure the impact of each iteration, respond to changes in the market and adjust tactics, so as to continuously improve results over time.

In agile marketing, the work process is designed in a way which enables everyone to make an instant decision if it is justified and when an immediate response is required, to achieve a result or avoid a problem. In agile marketing management the final working product is more important than comprehensive documentation, good communication with the customer is more important than formal contracts, and continuous response to changes is more important than following the original plan. Agile management is widely used in Google, Facebook, Adobe, IBM, SAP, etc. According to Forbes and CMG Partners [7], 93% of CMOs say that agile practices have improved their speed to market for ideas, campaigns, and products.

Meetings could also be optimized, virtual meetings and video conferencing could be held, customer service and the way offers are prepared could be optimized.

- ❖ *Continuous implementation of innovations and conducting trainings in the marketing function.*

Innovation is very important to increase competitiveness. Digitalization and automation of processes in the marketing department are often discussed topics, but there are also many other smaller steps to feel the "wind of change". According to Marketo [8] transformational marketing requires success in three areas: tools, alignment, and methodology. It suggests that these success factors break down as follows:

- 20% of the success comes from marketing automation features and tool;
- 30% comes from the particular methodology that is chosen to use crossfunctionally;
- 50% comes from organizational alignment and structure.

The power of internal training, as well as talent development, should not be underestimated. It is necessary to delegate, taking into account that if someone and his talent are trusted without fully monitoring his training and education, it can fail not only him but the whole team, and this is unacceptable. It is recommended to make a good psychological profile of the team members, to assess the strengths and weaknesses of each, in order to use the potency as much as possible without focusing on the gaps.

In a small company, it turns out that even if only one person resists useful changes and innovations, it can poison the whole team. Therefore, no compromises should be made with people who are against change and innovation and who do not have the intrinsic motivation to change, learn and develop, no matter how valuable their experience for the company may seem at first glance. Naturally, all this will take time, training, communication within the company, but whatever resistance there might be, it must be continued to realize the change and show its positive effect.

### 3. Conclusion

Change is the only constant dominating business world today. How well managers cope with change has become a key skill which organizations look for. This applies in particular to marketing, where the rate of change is much faster than ever before. To achieve stronger, more capable and efficient marketing function, it needs to embrace the change, so the marketing executives could play the central role in the future of the organization.

### 4. References

1. Kotter, J. (2012). *Leading Change*. Harvard Business Review Press; 1R edition, p. 208.
2. Murphy, M. (2016). *The Big Reason Why Some People Are Terrified of Change (While Others Love It)*. Forbes. <https://www.forbes.com/sites/markmurphy/2016/08/14/the-big-reason-why-some-people-are-terrified-of-change-while-others-love-it/?sh=4d7cb9522f63>
3. Arbitrage. (2014). *A psychographic segmentation of the Bulgarian consumer*. <http://arbitrageresearch.com/a-psychographic-segmentation-of-the-bulgarian-consumer/>
4. Craig, W. (2018). *The Importance of Having a Mission-Driven Company*. Forbes. <https://www.forbes.com/sites/williamcraig/2018/05/15/the-importance-of-having-a-mission-driven-company/?sh=4771e92b3a9c>
5. Chang, J. (2020). *57 Key CRM Software Statistics: 2021/2022 Market Share Analysis & Data*. FinancesOnline. <https://financesonline.com/crm-statistics-analysis-of-trends-data-and-market-share/>
6. Shaoolian., G. (2018). *10 Marketing, Web Design & Branding Statistics to Help You Prioritize Business Growth Initiatives*. Forbes. <https://www.forbes.com/sites/gabrielshaoolian/2018/08/10/10-marketing-web-design-branding-statistics-to-help-you-prioritize-business-growth-initiatives/?sh=5d661703d708>
7. Rooney, J. (2014). *Applying Agile Methodology to Marketing Can Pay Dividends: Survey*. Forbes. <https://www.forbes.com/sites/jenniferrooney/2014/04/15/applying-agile-methodology-to-marketing-can-pay-dividends-survey/?sh=415b24c96acd>
8. Marketo. (2020). *Driving Enterprise Transformation: Managing Change in Your Marketing Organization*. <https://www.marketo.com/ebooks/enterprise-transformation-change-management/>