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# Changes of marketing culture expression: comparison analysis in times of economic recession and recovery

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## ABSTRACT

In the contemporary competitive environment, companies strive to gain competitive advantage in their business. Strengthening a company's position in the market is closely related to marketing culture. The article aims at revealing which marketing culture dimensions come into the force in hard times and how these change as hard times inch away and the economy recovers. Seeking to reveal the change tendencies of marketing culture expression in Lithuania, firstly the conception of marketing culture is presented and its elements and peculiarities examined; then the research methodology is presented together with the comparative analysis and interpretation of the findings of questionnaire surveys.

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## 1. Introduction

As competition strengthens, building of new relationships between the company and its customers and customer retention gain increasing significance. Market undertakings, when integrating in international business, operating under conditions of market economy and globalisation and striving for more effective use of marketing tools, have to take cultural aspects into account. The latter often are difficult to measure and even observe, but heavily influence the behaviours and evaluations of customers and personnel of the organisations (Terpstra & Sarathy, 2000).

The interest in organisational culture coincided with the realisation that the company's market orientation is important. Hofstede was one of the first who researched the implications of culture to management methods and their practical application. No strategic changes in the organisation can bypass the examination of the role of organisational culture, seeing that culture is deeply embedded in the theory and practice of management. The locution 'change the culture and the majority of company's problems will resolve on their own accord' became a much-repeated subject among many management students, theoreticians and consultants. This phrase (like the term 'culture') became all-encompassing, connecting the broad aspects of company, including control, commitments, socialisation, structure and

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quality of company's staff work. Since 1980, interest in organisational culture has become particularly obvious (Brown, 1995; Deshpande & Webster, 1989; Hofstede, Neuijen, Ohayv, & Sanders, 1990; Juceviciene, Poskiene, Kudirkaite, & Damanskas, 2000; Paulauskaite & Vanagas, 1998; Smircich, 1983).

When analysing the organisational culture, we encounter its different definitions that do not similarly define the concept in question. The diversity of organisational culture perspectives descends from the multitude of different assumptions made by the researchers about the 'organisation' and 'culture' (Smircich, 1983).

Organisation culture is an encompassing concept that is valid for different organisational functions, including marketing as well. Marketing analysis has received much attention, seeing as it is related to the results of a company's activities, such as growth of the company in the long-term, provision of increased satisfaction to the customer, competitive advantage (Dunn, Norburn, & Birley, 1994; Juscius & Snieska, 2008; Kok, Hillebrand, & Biemans, 2003; Palaima & Auruskeviciene, 2006; Sin & Tse, 2000; Webster, 1995). Severe competition and rising requirements for quality, rapid changes in customers' behaviours show that it is not enough to use traditional marketing means in seeking effective marketing activity (Virvilaite & Dovaliene, 2003).

Marketing culture comes into play as a very important aspect for customer retention in strengthening company's position on the market. Application of effective marketing culture creates the prerequisites for sustainable and successful operation of the company. Therefore, the study seeks to reveal the manifestation and change tendencies of marketing culture and its elements during periods of recession and recovery. While distinguishing the strong and weak areas of marketing culture in the companies, the study seeks to shape them in such a way as to provide sustainability and uniqueness for cooperating with market players and to enhance the competitiveness of companies. Customer retention and strengthening of the company's position in the market is closely related to marketing culture. Its application in the company creates the prerequisites for successful operation of the company. A connection has been observed in scientific literature between the marketing culture, effectiveness of marketing and company performance. The analysis of marketing culture elements and their expression, as well as the emphasis on the aspects of marketing culture, has to be strengthened; therefore, they represent a particularly relevant subject among different levels of managers in companies and their divisions, scientists and students when examining the issues of competitiveness enhancement in companies, as well as for everyone else interested in this subject.

## 2. Marketing culture conception

Attempts have been made to define the concept of culture in several hundreds of descriptions, and none of them is universally acceptable to different shareholder groups, according to Rauhe and Demmer (2004). Artists, scientists, politicians and educators constantly dispute which definition of culture should be applied – the broader or the narrower: should culture be treated as a related notion of arts (music, theatre, dance, literature, fine arts, etc.); or does culture imply a method of inter-communication? It is a system of collective constructs of meaning invoked by people to experience, define, process, depict and modify reality (Rauhe & Demmer, 2004). From this point of view, culture is a system of values and

norms created by individuals and helps to recognise and give sense to the reality, as well as defining the criteria of activities.

The glossary of international words provides five definitions, out of which, in the opinion of Paulauskaite and Vanagas (1998, p. 49), culture is best defined by the following: 'culture refers to the outcomes of individual and social activity, its forms and systems, the functioning of which enables the creation, use and conveyance of material and spiritual values.'

This suggests the position that marketing culture is of a derivative nature and it takes over the culture components from the established cultures in different fields of human activities in the country, business and organisation. It is examined as follows: Culture in the broad sense → National culture → Business culture → Organisational culture → Marketing culture.

According to Jucevicius (2001), *culture 'in the broad sense'* represents the in-depth processes of a group, company or society that are not immediately noticed; however, they affect a very broad spectrum of social life aspects. Based on this, it can be stated that the conception of culture is one of the broadest conceptions in social sciences, as it encompasses a multitude of meanings.

Talking about *national culture*, Wood (1999) and Steenkamp (2001) emphasised that managers should not leave the cultural differences of customers in different countries out of consideration. However, the representatives of cultures of different countries might differ less than individuals belonging to the culture of the same country. Differences between people are determined by different understanding of the world and oneself, and of tasks and issues under consideration.

According to Hofstede (1994), culture is always a collective phenomenon, because culture is at least partially shared by the people who live or lived in the same social surroundings where they learned the culture. It is a collective way of thinking, distinguishing one group of people from another. Culture is learned, because it is not hereditary. It appears in a certain social environment and it is not pre-programmed in genes (Schein, 1992).

Philosophers and historians, as well as scientists of the entire spectrum of social sciences, are interested in understanding the behaviours of various nations; however, all these fields of science approach culture in a slightly different manner.

*Business culture* includes attitudes, values and norms, encompassing commercial activities and helping to form the behaviour of the company in a specific country. The grounds for business culture in each country encompasses the previous, current and future business environment in that country. Business culture shapes the company's behaviour in a specific country, thus affecting the formation of marketing culture subject to attitudes, norms and values in country's commercial activities.

Essentially, culture is difficult to understand, intangible, inexpressible in words and considered to be self-explanatory; nonetheless, each company creates a set of key assumptions, concepts and unwritten rules of its own which governs everyday behaviours at work. Consequently, this leads to a conclusion that *organisational culture* has significant influence on its employees, as it helps to create an internal climate that promotes the self-control and consistency of behaviour, enables the staff to better understand the expectations of the company towards them, encourages them to transform the everyday routine into valuable and important actions, and connects the organisation with values that are important to the society.

Hatch (1993) proposed a 'dynamic model of organizational culture'. By accepting the perspective of interaction between different strata of culture such as visible means,

behaviours, less visible values, rules and assumptions that are the least visible, but approached naturally by the members of culture, Hatch (1993) builds upon and develops the model of Schein (1992), focusing on interaction processes as well as culture strata. In summary, one could state that Schein's (1992) theory contributed to a three-component approach to culture, whereas Hatch (1993) gave greater importance to dynamic processes between the culture strata. After finding out that the organisational culture model encompasses the structural strata of culture linked by dynamic processes, organisational culture is perceived as the whole of values prevailing therein, attitudes, behavioural norms and surface manifestations of behaviour of its members formed while the company strived for internal integration and survival in the environment that reflects the individuality of the company.

*Marketing culture* is examined based on marketing theory as well as theory of organisational and general culture. Marketing is one of the company's spheres of activities while it strives for economic and social objectives (Stanton, Etzel, & Walker, 1991), and because of this we will analyse marketing culture as a component of organisational culture. Marketing culture is an element of organisational culture manifesting through connections between the company and other market subjects.

Culture is noted for multi-dimensionality: its different components are evaluated in different ways, because culture is a complex of its components. Webster (1995) defined marketing culture as a multidimensional construct encompassing service quality, inter-personal relationships, sales tasks, organisation, internal communication and innovation. Marketing culture reflects the professionalism of a company's employees from the top managers to workers. Like customers, employees should be able to feel the culture directly and indirectly (for instance, the attitude of company staff towards punctuality, appearance, conduct, etc.). Another expression of marketing culture could be the striving of the staff to introduce innovations in their activities to improve performance.

When examining market orientation, Narver and Slater (1990) singled out the marketing culture as a very important feature of organisational culture, helping companies provide a higher product value to the customers in the most effective and efficient way and, based on this, to strengthen their position in the market. Marketing culture is considered to be an abstract of a higher level than the market-oriented culture (Harrison & Shaw, 2004).

According to Narver and Slater (1990), market orientation necessitates interest in the customers while creating a higher value for them as well as in competitors. Scientists who studied market-oriented culture stated that coordinated actions (inter-functional coordination) in all functions of the company particularly constitute the key element when defining a market-oriented concept (Kohli & Jaworski, 1990; Narver & Slater, 1990; Slater & Narver, 1999), because there would be no focus on customers and competitors if a company operated in an uncoordinated manner.

Organisational culture reveals the internal behaviour of the company, whereas the marketing culture, as an element of organisational culture, encompasses not only internal behaviour but external as well (relationships with the environment), because the very purpose of marketing reflects the environment orientation, i.e., focus on the customer while seeking objectives beneficial for the company. Narver and Slater (1990) define marketing culture as organisational culture that is the most efficient and effective in creating the behaviour of employees that confers exceptional value for the buyers of company's goods and allows for attaining excellent business results. The scientists emphasised that

if the market orientation would be a simple complex of different activities, completely separated from the main values of the company, then whatever the organisational culture is, the company could adopt the market orientation easily and at any time. However, it is not that easy to change the culture.

In line with the organisational culture definition, marketing objective and attitude stating that marketing culture is an element of organisational culture, marketing culture is perceived as *an element of organisational culture, encompassing the entirety of values, norms (rules), tools and behaviours prevailing therein, that reflects the individuality of the company through its interaction (relationships) with market subjects.*

The definition reveals marketing culture as a constituent of organisational culture, comprised of the elements identified analogically to strata established by Poskiene (1998) in a study of organisational culture (common agreements, overlapping values, visible culture), highlighting the dynamism of culture and conveyance of meanings within the sub-cultures. Marketing culture is understood as a dynamic sub-culture that is market-oriented when the uniqueness of company culture can result in a competitive advantage.

### 3. Elements of marketing culture and peculiarities of their expression

Elements of marketing culture are examined in accordance with a logical sequence that is based on theoretical assumptions that values form norms, and means are selected and behaviours are shaped subject to the latter (Deshpande & Webster, 1989; Homburg & Pflesser, 2000; Zostautiene & Daraskeviciute, 2009; Zostautiene & Urbanskiene, 2002).

According to Schein (1992), values can be defined as a concept of the aim, either explicit or implicit, that is inherent to an individual or group and that affects the choice subject to prevailing customs, method and outcome of actions. Norms (rules) differ from values by a higher degree of specificity and association with certain behaviour. In an organisation, values constitute the grounds for the development of specific behavioural norms (rules). Norms (rules) are set for expected behaviours or their outcomes, which are at least in part common to the social group. Means include accounts, agreements, rituals and language, which are created within an organisation and have a strong meaning that is characteristic to symbols (Schein, 1992). Behaviours refer to company's models of behaviour.

The structure of marketing culture is comprised of four strata that are divided according to the possibility of identifying, noticing or feeling them:

- the first level corresponds to the first stratum of marketing culture – values;
- the second level – to norms (rules);
- the third level coincides with the third stratum – means; and
- the fourth stratum – behaviours.

#### 3.1. Values of marketing culture

One of the key forms of culture expression refers to values. Values manifesting in marketing activities of the company comprise the fundament of marketing culture. Values may serve as some of the main connecting ties in a certain group of people, although the values of the group members do not always coincide; however, from the company perspective, values are important in that they direct the staff for common activity. Values are generally analysed

from the individual and societal points of view. Social values refer to things considered important and significant by society; however, these values may vary from one society to another. Individuals, based on their values of 'what should be', reflecting the values common to the society and humanity (Juceviciene, 1996, p. 47), judge what is good and what is bad. Individuals and their sets of values are affected by public institutions, family, friends and media. Consequently, values of different individuals differ too; moreover, values of the same individual may change subject to the influence of social surroundings. Values may be equated to standards and principles, which are used by the people to evaluate things (people, objects, ideas, actions and situations) as being good and to be pursued or, conversely, bad and unwelcome. From this perspective, a value is sort of equated to a standard, which is selected due to different reasons. Values strongly influence the priorities of employees, decisions being made and behaviours in the organisation, and it is therefore useful to evaluate the influence of values to organisational culture.

According to Janusonis (2000), a value is a continuous belief in the righteousness and superiority over others of one's activities and pursuits (ideas, objectives, actions, results) that has become a common criterion for the evaluation of people, objects or phenomena. The more members of the company acknowledge one or another value (aggregate of values), the less frequently conflicts occur in an organisation.

Values comprise an inseparable part of each company, one of the elements of organisational culture. They form naturally in the course of company's identity development, while searching for an answer to the question 'what we are?' However, only clearly defined and named values become a managerial tool helping to shape the desired behaviour of employees and organisational culture in a well-focused manner. Because of this, when analysing the organisational culture, it is very important to find out which values are characteristic to a specific company.

As market conditions change and become increasingly more complicated due to competition, managers of organisations have to find the ways to adapt to the ever-changing environment. For this purpose, such methods of management are required that allow controlling the behaviour of employees without restricting their activeness and creativity. Thus, attention was drawn to the value-based management when only the main direction and criteria to be followed when striving towards the objective should be specified. Such companies acquire a competitive advantage – their staff is able to flexibly respond to the changes in the environment and adapt to individual needs of the customers.

An examination of the values of marketing culture should be based upon the marketing theory reflecting the issues of company profitability, competitiveness (as the organisational objective), customer focus (as a prerequisite for attaining the objective) and systemic approach (as the method to attain the objective) (Pranulis, Pajuodis, Urbonavicius, & Virvilaite, 1999).

The following values of marketing culture should be singled out as the ones mostly strengthening the market orientation the company:

- (1) open communication;
- (2) employee responsibility.

Companies upholding open communication as the key value of their marketing culture have a strong marketing culture, because information about the sales and the market is spread in the entire company instead of being retained as the responsibility of marketing

managers. Employee responsibility as a value of marketing culture enables decentralised decision-making, thus making the influence of authority and hierarchical levels less important and facilitating the market orientation processes (Vranesevic, Vignali, & Vignali, 2002).

Unlike market-oriented norms (rules), the values of marketing culture do not directly affect the company's behaviour on the market, rather helping to develop the market orientation. The difference between values and norms is that norms direct the behaviour in the appropriate direction, while values refer to the general landmarks of behaviour (O'Reilly, 1989).

### **3.2. Norms (rules) of marketing culture**

Norms (rules) form in the society and lesser groups of people as a certain desired behaviour directing or even committing to behave in line with the norms (rules) accepted within the group. In marketing culture, norms (rules) can be revealed based on values, while showing the forms and ways of norm expression in marketing. A norm is a kind of idea that exists in the minds of group members and that requires appropriate behaviour (Schein, 1992). Norms form a special code of conduct for a specific group and indicate the behaviours determining the activities of group members (Homburg & Pflesser, 2000). In order to function, norms have to be accepted by the group members.

One of the key aspects of marketing culture refers to the maintenance of relationships between the company and the customer. From this perspective, communication acquires special significance, and various norms of communication are being formed based on communication experience and values of marketing culture. Based on the distinguished values of marketing culture and in line with the assumption that values form the norms, which promote the market orientation, the following norms of marketing culture were identified:

- (1) Open communication pertaining to market problems (issues);
- (2) Responsibility of employees for activities on the market.

When the members of the company openly communicate while perceiving this as a value, then open communication on market issues represents the specific norm associated with this value. Responsibility of employees for activities in the market is a norm associated with the value of employee responsibility.

### **3.3. Means of marketing culture**

Marketing culture means, such as accounts, agreements, rituals and language, represent the more visible stratum of culture with verbal, behavioural or physical components (Homburg & Pflesser, 2000). Marketing culture means is the most analysed stratum of marketing culture, though we have to understand that marketing culture means include more than just, for example, information systems (Jaworski & Kohli, 1993; Kohli & Jaworski, 1990), and encompass the entirety of physical and verbal means used in marketing.

The means display a higher or lower level of market orientation. Accounts may be related to conversations of employees about other colleagues, whose behaviour is a great example of market-oriented behaviour. Accounts motivate the staff and impel them to commit to the company. An example of market-oriented agreement might be an open and friendly meeting of customers and appropriate surroundings of the reception area. Market-oriented



rituals include customer events, for example, meetings with manufacturers of goods or regular awards for market-oriented staff members. Language may also specify the level of market orientation. For example, customer-oriented discussions (as opposite to the discussions about company's internal problems) during the meetings show a higher level of market orientation.

### **3.4. Behaviours of marketing culture**

Based on the literature on organisational behaviour and marketing as well as the scientific insights referred to above, components distinguished by Kohli and Jaworski (1990) are used when examining the market-oriented behaviours:

- (1) Creation of market intelligence;
- (2) Spreading of market intelligence;
- (3) Responding to market intelligence.

Intelligence is perceived as the ability to correctly anticipate, based upon the necessary information and individual or company (organisational) culture. Future orientation is the key feature of intelligence (Zostautiene & Urbanskiene, 2002).

Creation of market intelligence occurs through the alignment of activities of separate divisions, organisation of joint meetings and product improvement in line with the customer needs. This dimension of a company's marketing culture stipulates that the activities of different units should be well coordinated; meetings of different units should be organised to discuss the changes and further development opportunities in the market; cooperation of the marketing division with other units should be assessed based on the time allocated by marketing specialists to discuss the future customer needs with the employees of other units. When creating marketing intelligence, it is important that product improvement should be carried out in line with customer needs. Directions of product improvement while seeking to find out if they correspond to what the customer needs should be frequently revised; furthermore, marketing intelligence creation should involve marketing specialists as well as other employees.

The spreading of market intelligence is conducted by disseminating the information about the customer product priorities and essential changes within business within the company and to the general public. This dimension of marketing culture is assessed subject to whether the information about product priorities of customers and changes, for instance, in competition or technologies is publicised and whether the employees of the company are promptly being made aware of important developments associated with the market or the customers. Dissemination of information within the company should not be protracted and the information about the fulfilment of customer needs should reach all employees of the company.

Responding to market intelligence is carried out through the meetings with the customers and customer opinion surveys, evaluations of changes in the environment and responses to them, as well as the attempts made to meet the customer needs. Meetings with the customers or customer opinion surveys should be evaluated, considering whether meetings with the customers are organised at least once in a year to find out what products they are going to need in the future and how they assess the quality of products or services provided. When assessing the changes in the environment and responding to them, employees of the

company divisions should regularly organise meetings to form a response to environmental changes. The striving to satisfy the customer needs is established subject to the efforts made by the company's staff to implement the product modifications when it has been determined that customers require certain product modifications.

Introduction of marketing culture through its elements presented above helps to attain economic and non-economic benefits and affects the company performance: sales volumes, profit; and success in selling new products. It also helps to build an exceptional and long-term competitive advantage, because it is not difficult to copy the products and presentation specifics of competitors; however, the development of customer-oriented culture is a lengthy process and is not easily achievable.

#### **4. Substantiation of research methodology of marketing culture expression in companies**

Marketing culture has many expressions and it may be stated, therefore, that marketing culture is formed based on various combinations of the dimensions of its components that can be ascribed different significance by the companies and the customers. In line with the theoretical concepts of marketing and organisational behaviour, distinguished levels, strata and elements of marketing culture, as well as insights of Homburg and Pflesser (2000), we will identify the dimensions of marketing culture components. Dimensions of marketing culture are systemised and presented in Table 1 while highlighting the multi-dimensionality of marketing culture.

Certain dimensions of marketing culture components supporting the market orientation may be acceptable and welcome in companies, as well as prevalent among the employees; however, it is also possible that they will not be not accepted (or will be nearly rejected) and practised.

The research is aimed at identifying the expression of elements of marketing culture in companies and based on the example of the companies operating in the city of Panevezys. The research was carried out in the period August–September 2009 (the results were presented in *Engineering Economics* 2009, No.5 and used for comparison in this article), and repeated in September–October 2012.

After revealing the key dimensions of marketing culture by its strata and presenting their characteristics, it is observed that marketing culture is particularly important in a company when seeking to maintain the market orientation. Components of company's marketing culture affect the company's market orientation and, to be precise, the strength of this orientation, i.e., they affect the actions of company members. The stronger the marketing culture, the more the actions of company members will be market-oriented. The opposite is valid too: the weaker the company's marketing culture, the less market-oriented the actions of its members will be.

In order to conduct an empirical research of marketing culture, it is necessary to present each dimension of marketing culture components as a question or statement requiring evaluation – description of significance in the case of individual surveyed company.

The questionnaire survey was prepared based on scientific works of Homburg and Pflesser (2000) and Zostautiene and Urbanskiene (2002). Managers of companies, directors, deputy directors and heads of divisions related to marketing activities have been surveyed, while making an assumption that executive personnel of the company have sufficient knowledge about marketing.

**Table 1.** Dimensions of marketing culture (M.C.).

M.C. layers	M.C. components	Dimensions of M.C. components
1 layer M.C. values	Open communication	Innovation; flexibility; openness of internal communication; inter-functional cooperation.
	Responsibility of employees	Striving for success; pursuit of quality and competence; speed of work completion; entrepreneurial thinking of employees; appreciation of employees.
2 layer M.C. norms	Open communication regarding market problems	Market-oriented innovation; flexibility with regard to market activities; openness of internal communication of market issues; market-oriented inter-functional cooperation.
	Responsibility of employees for activities in the market	Striving for success in the market; pursuit of quality and competence; speed of work completion; entrepreneurial thinking of employees; appraisal of employees subject to their activities on the market.
3 layer M.C. means	Accounts	Accounts about 'heroes' oriented to the meeting of customer needs; discussions about problems hindering market orientation.
	Agreements	Agreements associated with market orientation.
	Rituals	Market orientation rituals.
4 layer M.C. behaviour	Language	Market-oriented and non-oriented language.
	Creation of market intelligence	Alignment of operations of different units and organisation of joint meetings; cooperation of marketing division with other units; product improvement in line with the customer needs.
	Dissemination of market intelligence	Public dissemination of information about customer product priorities and material changes in business; dissemination of information related to the market or customer needs within the company.
	Responding to market intelligence	Meetings with customers and opinion surveys; assessment of and responding to environmental changes; striving to meet the customer needs.

Source: Compiled by the authors.

According to the database of the Department of Statistics (<http://db1.stat.gov.lt>), as of the beginning of 2009 there were 2,431 companies and in 2012 there were 3,235 companies operating in the city of Panevezys County. Panevezys County has been chosen for the research because of the study carried out on demand and data comparison.

Statistically processed data of the survey is considered to be true and reliable due to the mathematical nature of the statistical analysis itself. However, when presenting the results, representativeness of the research is very important. The number of respondents who need to be surveyed in order to meet the criterion of representativeness can be calculated according to Paniotto's formula:

$$n = 1/(\Delta^2 + (1/N)) \quad (1)$$

where:

n = sample size (n),

$\Delta$  = error ( $\Delta = 0.5$ ),

N = population size (2009 N = 2,431, 2012 N = 3,235).

In sociological studies, 5% is considered a standard error, when probability is 0.95. Based on Paniotto's formula, the surveyed sample is comprised of 345 companies in 2009 and of 357 companies in 2012.

$$n = 1/(0.05^2 + (1/2, 431)) = 345 \text{ in 2009} \quad (2)$$

$$n = 1/(0.05^2 + (1/3, 235)) = 357 \text{ in 2012} \quad (3)$$

While taking into account the probability of refusing to participate in the research, 500 questionnaires have been prepared and distributed (delivered personally, sent by email, mail and fax) in 2009, and 900 in 2012. In 2009, 198 fully completed questionnaires were returned from Panevezys County companies; in 2012, 348 were completed and returned.

Marketing culture is evaluated according to the points given by respondents to rate the statements in the case of their company on a Likert scale from 1 to 5:

Completely disagree 1 2 3 4 5 Completely agree

On a Likert scale, one means a minimal possible rating confirming that the respondent completely disagrees with the given statement. Five means a maximal possible rating. The higher rating shows approval and prevalence, the lower rating – disagreement or partial agreement.

## 5. Peculiarities of marketing culture expression and change tendencies in times of recession and recovery

All research results in tables contain average ratings. Tables of marketing culture elements' assessment were compiled for each element of marketing culture individually (values, norms, means and behaviours).

The importance and observance of norms of marketing culture mostly depend on values upheld. Ratings of marketing culture values of the companies are presented in Table 2. Among those who replied, there were very few who disagreed completely or had no opinion, while the most frequent response showing the significance of marketing culture values was 3–4 (moda).

Companies appreciate flexibility and striving for success. These have been the best-rated marketing culture values in 2009, as well as in 2012. When comparing the research results of different periods, it can be seen that the prevalence of values and their ratings

**Table 2.** Rating of marketing culture values, 2009 and 2012.

No.	Values of marketing culture	2009 mean	2012 mean	Change
	<i>Open communication within the company</i>			
1.	Innovativeness	3.7	3.9	+0.2
2.	Flexibility	4.6	4.5	-0.1
3.	Openness of internal communication	4.2	3.2	-1.0
4.	Inter-functional cooperation	4.2	3.3	-0.9
	<i>Responsibility of employees</i>			
5.	Striving for success	4.7	4.2	-0.5
6.	Striving for quality and competence	4.2	4.0	-0.2
7.	Speed of work completion	3.6	4.0	+0.4
8.	Entrepreneurial thinking of employees	4.3	3.8	-0.5
9.	Employees' satisfaction with work	4.2	4.1	-0.1

Source: Authors' calculations based on conducted executives survey.

in the companies changed insignificantly, and this was expected, as values are not very sensitive to changes or do not tend to change fast; nonetheless, at the time of recovery following a decline, a reduction in rating and prevalence was observed; in particular, the rating of values associated with open communication in companies, except innovation. The latter, as a value, at the time of recovery was rated higher compared to the period of economic decline. This can be logically explained: the companies perceive better that stagnation without innovations is destructive, while communication within companies is slack due to the recovering economy; however, the employees do not feel a real recovery and perhaps there is not much willingness to communicate, share ideas and information; dissociation and waiting for further developments can be sensed, perhaps even the fight to survive without giving any thought to the overall objectives of the company. In particular, openness of internal communication, inter-functional cooperation of employees, innovation and entrepreneurial thinking should be enhanced. Often, employees working in the same company compete among themselves; this might have determined the lack of the openness of internal communication and inter-functional cooperation. Non-sharing of information may cause unaligned and uncoordinated operations of the company.

Ratings of norms of marketing culture are presented in Table 3.

Questionnaire surveys showed that companies appreciate the completion speed of work associated with market activities, seeing that prompt fulfilment of customer wishes and needs builds customer trust and repeated purchases. Among the submitted statements reflecting the norms of marketing culture companies increased their rate for almost all open communication regarding market problems such as market-oriented innovativeness, flexibility related with activity in the market, market-oriented inter-functional cooperation and for almost all norms, related with responsibility of employees for activities in the market, except striving for quality and competence in market-related activities and speed of completion of work related with activity in the market which practically unchanged. Only the rate of openness of internal communication on market issues has decreased similarly when comparing 2009 and 2012 research results. It may be concluded that marketing culture norms have become even more acceptable and are perceived as important for companies when seeking to survive at times of economic decline. They have become routine in everyday activities rather than just being declared how important they are to the company and insufficiently expressed in activities, which could have been noticed when examining the findings of the research carried out during the recession of 2009.

**Table 3.** Rating of marketing culture norms, 2009 and 2012.

No.	Norms of marketing culture	2009 mean	2012 mean	Change
	<i>Open communication regarding market problems (issues)</i>			
1.	Market-oriented innovativeness	2.6	3.4	+0.8
2.	Flexibility related with activity in the market	4.0	4.1	+0.1
3.	Openness of internal communication on market issues	3.3	3.0	-0.3
4.	Market-oriented inter-functional cooperation	2.7	3.0	+0.3
	<i>Responsibility of employees for activities in the market</i>			
5.	Striving for success in the market	3.7	4.1	+0.4
6.	Striving for quality and competence in market-related activities	4.3	4.2	-0.1
7.	Speed of completion of work related with activity in the market	4.1	4.1	0
8.	Market-oriented entrepreneurial thinking of employees	3.0	3.6	+0.6
9.	Appraisal of employees subject to their activity in the market	3.6	4.1	+0.5

Source: Authors' calculations based on conducted executives survey.

Special attention should be paid to the openness of internal communication on market issues, market-oriented inter-functional cooperation and market-oriented innovativeness, which has to be improved in the companies.

Rating of the means of marketing culture is revealed in Table 4. The obtained results about means of marketing culture evidence that respondents are not sufficiently familiarised with the input of means to the performance of companies. The most common ratings (moda) in the scale of 5 were 3 (neither agree, nor disagree). Noteworthy are the ratings agreeing with the importance of market-oriented agreements. The latter was the best-rated among the means of marketing culture at the time of recession as well as recovery. This shows the importance of such elements as clear layout of the building and the entire external complex, excellent organisation of meetings with the customers, attractiveness of reception and discussion facilities, and creation of conditions for informal exchange of information.

The rating of the means of marketing culture decreased or increased insignificantly comparing the research findings of 2009 and 2012, except the agreements, related with market-orientation and market-oriented language. As the economy recovered, the significance of these elements increased. In companies, market-orientation rituals are rated the worst, although such rituals help to focus on the market, customer's needs and their satisfaction in order to develop loyal customers.

Rating of marketing culture behaviours is presented in Table 5. The most frequent response (moda) showing the significance of marketing culture behaviours was 3.

No substantial changes have been observed in the rating of behaviours of marketing culture in times of economic decline and recovery, except the fact that dissemination of

**Table 4.** Rating of marketing culture means, 2009 and 2012.

No.	Means of marketing culture	2009 mean	2012 mean	Change
1.	Accounts about role model employees, oriented to fulfilment of customer needs	3.3	3.1	-0.2
2.	Accounts and conversations about problems, impeding market-orientation	3.2	3.2	0
3.	Agreements, related with market-orientation	3.7	4.1	+0.4
4.	Market-orientation rituals.	3.0	2.9	-0.1
5.	Market-oriented language.	2.9	3.3	+0.4

Source: Authors' calculations based on conducted executives survey.

**Table 5.** Rating of marketing culture behaviours, 2009 and 2012.

No.	Behaviours of marketing culture	2009 mean	2012 mean	Change
<i>Creation of market intelligence</i>				
1.	Coordination of activities of individual divisions and organisation of general meetings	3.2	3.0	-0.2
2.	Cooperation of marketing division with other divisions	2.6	3.2	+0.6
3.	Improvement of product/service according to customer needs	4.1	4.0	-0.1
<i>Dissemination of market intelligence</i>				
4.	Public dissemination of information about customer priorities for the product and essential shifts in business	3.6	3.8	+0.2
5.	Dissemination of information pertaining to market and customer needs within the company	4.7	3.9	-0.8
<i>Responding to market intelligence</i>				
6.	Meetings with the customers and customer opinion research	3.2	3.2	0
7.	Assessment of environmental changes and responding to them	3.4	3.2	-0.2
8.	Striving to meet the customer needs	3.7	4.4	+0.7

Source: Authors' calculations based on conducted executives survey.

information associated with the market or customer needs slackened within companies, as well as alignment of activities of different units and organisation of joint meetings. (It is noteworthy that poorer rating of these dimensions corresponds to the weakening of open communication in terms of values and norms.) However, at a time of economic recovery, the striving to satisfy the customer needs strengthened, although the striving to identify these needs was rated as a more important element at the time of recession than during recovery.

Based on the available research findings, it can be concluded that economic decline encouraged the companies to better apply the principles of marketing in their activities, to focus on customers and meeting of their needs as an objective, because it is only thanks to them that the companies may pursue their mission. A tendency was observed that during the recovery following the economic decline, the gap between the declared values and norms, which became a part of behaviour, decreases. However, there are some negative tendencies, too. With the recovery, communication within the companies got worse, and this may cause problems associated with the opportunities for the company to achieve its objectives and use these opportunities. The lack of cooperation between employees and different units may impede problem-solving, prompt decision-making and even weaken the orientation to the market, customers and their needs.

The ability to assess the changes in environment and adapt to them improved a little bit. In the meantime, results of Panevezys County companies in rating marketing culture elements are rather poor, while companies willing to become more competitive in the market should make more effort.

## 6. Conclusions

Marketing culture is derived and takes over the cultural components formed from human activities in nation, business and organisation. Marketing culture can be defined as integral part of organisational culture than is market-oriented and comprises the elements revealing the individuality of the company as it interacts with the market participants.

While concluding that marketing culture forms a part of organisational culture, another conclusion follows that the main elements of marketing culture are the same as in organisational culture: values; norms; means; and behaviours. Values of marketing culture influence norms, which influence well seen means and behaviours, and together they unite individual efforts of employees for the common purpose when creating added value of the product for the customers, which in turn ensures competitive advantage for the company. However, their specifics manifest when striving for companies' individuality and distinctness, fulfilling the expectations of their customers and other market participants, in the relationships of the company with other market participants.

Empirical research was made on the theoretical background, that the ability of the company to act quickly in a rapidly changing environment shaping the conditions of competition and operation heavily depends on the prevailing marketing culture, its values, norms, means and behaviours. The questionnaire survey aimed at identifying and comparing the marketing culture through the elements of marketing culture in Panevezys County (Lithuania) companies in 2009 and 2012.

After summarising the data obtained during research, some peculiarities of marketing culture elements' expression in the companies of Panevezys County (Lithuania) in 2009 and 2012 could be distinguished. No substantial changes in expression of marketing culture

elements were observed when comparing the recession and recovery periods. It can be explained by the nature of culture: culture doesn't change rapidly. And because of it, a strong market-oriented marketing culture can be a unique long-term source of competitive advantage: unique competitive advantage, because culture is always unique; long-term competitive advantage, because culture is difficult to copy by the competitors.

In summary, it can be concluded that during economic recovery in 2012 the gap between declared values of marketing culture in companies and observance of these values in everyday activities decreased. Nonetheless, a negative tendency was also observed: dissemination of information associated with the market or customer needs within the company slackened, as well as alignment of operations of different units and organisation of joint meetings, i.e., opened communication. It is vital to draw attention to this and to correct the situation, because the worsened communication within the company may cause problems associated with the opportunities to attain the company's objectives and quick decision-making, or even weaken the orientation to the market and the customer.

### Disclosure statement

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