

GLOBALIZATION INFLUENCES ON SALES ACTIVITY EMERGING STRATEGIC OPTIONS

UTJECAJ GLOBALIZACIJE NA POSLOVE PRODAJE – STRATEŠKE MOGUĆNOSTI

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Abstract: *The upward evolution trend of external trade promotion, as far as construction materials segment is concerned, evidences the accelerated sales strategies dynamics as the essential optimization vector of the economic performance of the companies in the field, and also as determining globalization factor. The depth of these strategic options implementation imposes directions for commercial reality restructuring aiming at sales force instructive and educational objectives compliance with the practical requirements of the over-engineered society. Consequently, the development and implementation of viable strategies turn into an essential objective in managerial processes reformatting in terms of profitability of products sales field.*

Key words: *performance business management, globalization, strategic options, economic advantage, commercial transaction*

Sažetak: *Rastući trend promoviranja vanjske trgovine građevinskim materijalima ukazuje na porast strateške dinamike prodaje. Brojne mogućnosti primjene strateških opcija ukazuju na smjernice za restrukturiranje prodajnog osoblja i njihovog obrazovanja u skladu sa stvarnim potrebama društva. Stoga razvoj i primjena odgovarajućih strategija postaje osnovni cilj upravljačkog procesa preoblikovanja u smislu isplativosti proizvoda prodajnog sektora.*

Ključne riječi: *globalizacija, strateške mogućnosti, ekonomska prednost, poslovna transakcija*



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1. Introduction

The transition towards a new economy, characterized by globalization, brings numerous characteristic influences on national economies and, implicitly, on the own business segments. Acknowledged as a very powerful trend during the last decade, we are facing globalization enhancement, if we consider the upward evolution trend of information technologies and electronic communications, operating, by their nature, in real time.

In this context, the purpose is to evidence the causes generating the managerial change in terms of managerial processes adaptation to organization implantation market conditions, characterized by various, intense and continuous fluctuations.

Therefore, companies that intend to keep the optimal profitability level are compelled to synchronize their management processes and strategic options implementation and management system in terms of positive dimensioning of the profitability curve. The development of a competitive advantage within the business segment becomes all the more a viability condition as the market undergoes high transformation trends towards a single products and services market at global level. Thus, efficient cross-border cooperation becomes a fundamental element in the carrying out of sales management-specific activities at company level.

2. The emphasis of globalization premises within sales activity

Technological progress influences the global geographical distribution of value added generating activities, as the companies permanently try to establish subsidiaries in areas ensuring high productivity, highly profitable and sustainable products and sales. For this reason, the ability to react, multiply the intelligence and perform the effort synergy imposes as a vital characteristic element in the context of a highly competitive and unpredictable market development [1].

Starting from this, the necessity of introducing new systems of goods and services sales processes pyramid management amplifies, and, as a conclusion hereof, the uninterrupted multiplication of bilateral and multilateral exchanges between the interested countries must be supported by a basis or a network of dense agreement systems with intercorrelated ramifications, capable to form the adequate network of traffic lanes. This must, on one hand, enable the facile exchange of mutual utility goods and values, and on the other hand, further the development of new and various forms of association between economic agents, states or groups of states [2].

Furthermore, the upward evolution trend of external trade promotion, as far as construction materials segment is concerned, evidences the accelerated sales strategies dynamics as the essential optimization vector of the economic performance of the companies in the field, and also as determining globalization factor. The depth of these strategic options implementation imposes directions for commercial reality restructuring aiming at sales force instructive and educational objectives compliance with the practical requirements of the over-engineered society.

The concept of external trade promotion, integral part of a country's external trade strategy, has new meanings in the new international economic context, as it has to

ensure the balance between the external trade activity point support programs, having as object the efficient use of short-term business opportunities by the sales force, and the programs having as object the stimulation of the achievement of a real national culture of the efficient export/ import act.

Therefore, the trend is to promote the benefits generated by the synergy between external trade companies, performances and local suppliers within construction materials sales sector. The development of programs especially oriented on sales activity globalization process speeding up shall be able to ensure organizations ascension towards the maximum optimum performance.

3. The implementation of emerging strategic options that empower the sales activity

The main concept forming the basis of certain strategic option implementation choice promotion, especially in the unstable field of construction materials sales strongly affected by the current economic and financial circumstances, is that the strategic economic recovery or optimization option should be really efficient. It should therefore be correlated with other economic development initiatives [3].

The difference in competitive advantage sizing in a market characterized by fierce competition shall be made only by the choice of the emerging strategic options that will empower sales activity. Consequently, the organization may synthesize the efforts in the management of the strategies for market penetration, product development and market development.

In compliance with the practice in the field, [4] market penetration strategy envisages competitive advantage achievement by the increase of the sales volume of a certain product or service on a well-determined competitive market. This option is considered to have as long-term objective the achievement of a significant or dominant market segment, thus ensuring the possibility of sales sizing without meeting all demands. From this point of view, the organizations adopting this strategy may encounter cost variation or learning effect problems, and in this case they must ally with another partner to facilitate the achievement of a competitive advantage, or merge with another organization that has a certain competitive power.

Experience in the field indicates that product development strategy envisages sales increase by the improvement of the existing product or service or the development of a new product or service on the current market, taking into consideration qualitative characteristics change and cost reduction. The development of a new product or service requires the existence of well-developed research and development compartments and adequate financial resources. Furthermore, the success of this strategy implementation is directly related to management quality level, which shall ensure the development of multidiscipline sales force, focusing on the distinctive competencies and the selection of the most adequate commercial opportunities for the organization. In terms of market development strategy, it envisages the increase of an existing product or service sales on new markets, taking into consideration the context of economic activities globalization. This strategic option promotes the

concept according to which market development may be ensured by entering new market segments, adding new geographical areas to the existing ones or giving new uses to the respective product or service. Market development strategy is preferred by organizations having as object product or service quality change or product or service list completion, with sufficient financial resources to invest in the acquisition of high-performance equipment and research activities. This way, the organization that chooses the implementation of this strategy shall have to invest important financial resources in market research, and to support the development of well-developed compartments with marketing competencies, concerned in products or services quality achievement at national or international standards level. Also, they have to be willing to make changes in the engineering and technological field, as well as in the economic field. The development of specialized and flexible sales force, capable of meeting fierce competition within a market influenced by the transformations generated by the globalization process is also essential. At the same time, the doctrine in the field [5] also brings forward the implementation of cost leadership strategies, differentiation strategies and focus strategies. As regards cost leadership strategy implementation, it must be emphasized that the organization shall aggressively seek to become the operator with the lowest costs, so it shall reduce costs and implement a thorough cost control, for the purpose of being more efficient than its competitors. This strategy requires the organization to have the capacity of keeping its costs lower than those of its competitors, provided that it offers a similar quality and obtains a reasonable profit. As regards differentiation strategy, in the related industry, in the case of construction materials sales, the organization tries to be unique in terms of certain aspects appreciated by the customers, its uniqueness being compensated by a higher price. Thus, the organization seeks to differentiate its products or services from those of its competitors, the elements of differentiation being: advertising, product or service characteristics, as well as the new technologies used in the development of a product perceived by the customers as being unique [6]. If the management board decides to implement the focus strategy, the organization shall have to focus on a market segment or group of market segments and to adapt its strategy so that to satisfy the requirements hereof. For the segment aimed, the organization has to adopt a cost leadership strategy or a differentiation strategy [7]. Consequently, the optimal management of the information obtained in international trade must be able to ensure the correct establishment of the favorable moment on the external market for export or import operations [8]. Furthermore, the choice of any of the above-mentioned strategic options promotes the condition of keeping the sales activity at an optimum level within an economy highly influenced by the globalization factors, materialized into the achievement, keeping and permanent update of the know-how to operate in the commercial space.

4. Conclusion

The conditions regarding goods movement on external markets are frequently very different from those on the internal market, as international competition occurs, with differences between political, legal, social and economic systems, numerous

particularities in the field of price formation, export stimulation, distribution channels requiring rigorous sales strategies to take into account these particularities to the largest extent possible [9].

Considering all these aspects, it is evidenced once more that the enforcement of strategic options focused on product sales activity becomes, with the passing of time, the fundamental element of managerial redesigning in a market characterized by high competitiveness at global level.

In conclusion, in the new context existing at international and national level, the development and implementation of a promotion strategy to make products and services sales activity profitable is no longer appreciated as an initiative with maximum chances of success. Presently, considering that the development of a country's external trade is regarded as a fundamental element for the sizing of the organization itself, it is imperiously necessary to consider the development of sales activity promotion strategy an organizational priority.

5. References

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