

Marketing in Romanian Sport Development. Compiling Plans and Marketing Strategies for Sport Clubs

by

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Abstract. Dealing with an increasingly turbulent environment that is also characterized by an increasing competitiveness level, managers start realizing that environment adaptation and taking advantage of opportunities demands a strategic approach regarding all actions meant for gaining a favorable market position on the sports market. As a result, marketing strategic planning becomes a key instrument for achieving this goal and also for identifying any competitive advantage source. Understanding marketing strategy role allows awareness for applying strategies in current enterprise activity. By using strategic planning, an organization will be able to reach its targets by applying viable marketing strategies meant to place the company in a more favorable place than its competitors. A market oriented organization frequently uses “marketing planning” both in day-to-day activities and by actually applying the concept – this is done by orienting all activities on consumer satisfaction and competitor analysis.

Key words: compiling plans, consumer satisfaction, marketing strategies, market position, sport development.

JEL classification: M 30, M 31, M 39

1 The strategic planning process

It has to be said from the beginning that a marketing strategy planning is a complex task which requires several systematic steps. Due to this reason, this process connected to building a marketing strategy is called “marketing strategic planning”. This concept may seem a bit sluggish and rigid especially when the exact purpose of marketing planning (identifying and creating a competitive advantage) is not well grasped.

Dealing with an increasingly turbulent environment that is also characterized by an increasing competitiveness level, managers start realizing that environment adaptation and taking advantage of opportunities demands a strategic approach regarding all actions meant for gaining a favorable market position on the sports market. As a result, marketing strategic planning becomes a key instrument for achieving this goal and also for identifying any competitive advantage source. Understanding marketing strategy role allows awareness for applying strategies in current enterprise activity. A market oriented organization frequently uses “marketing planning” both in day-to-day activities and by actually applying the concept – this is done by orienting all activities on

consumer satisfaction and competitor analysis (Ph. Kotler , G. Armstrong, 1990).

Strategic planning” dates back the early '60 as a management and marketing concept having numerous authors trying to show its true meaning: Wilson (1965) , Ring Bakk(1971), Cateora ad Hess (1971), McDonald(1982,1999), Day (1984), Aaker(1984), Ansoff(1977,1994), Mintzberg (1994), Kotler (1994), Cook (1994). Considering Malcolm McDonald vision for strategic planning: “*strategic planning is a process through which long term objectives and strategies are developed, for the whole company or just for a strategic activity unit by connecting resources with existing opportunities*”. (McDonald, 1998, p. 70)

By using strategic planning, an organization will be able to reach its targets by applying viable marketing strategies meant to place the company in a more favorable place than its competitors. Kenneth J. Cook says: “*strategic planning or the strategic plan represents a company’s vision regarding its own future position and role... a key for the entire management process*”. (Kenneth J. Cook, 1998, p.12) This strategic plan considers the following:

I. Planning steps		
<i>External factors</i>		<i>Internal factors</i>
<ul style="list-style-type: none"> - <i>competition</i> - <i>political factors</i> - <i>laws</i> - <i>demographics</i> - <i>technology</i> - <i>culture</i> - <i>nature</i> - <i>economy</i> 	<p><i>1. Knowing consumer needs</i></p> <p><i>A. Market demand</i></p> <p><i>B. Consumers as a part of a sport</i></p> <p><i>C. Consumers as spectators</i></p> <p><i>1. Market selection decisions</i></p> <p><i>A. Market segmentation</i></p> <p><i>B. Target market</i></p> <p><i>C. Positioning</i></p> <p><i>1. Marketing Mix</i></p> <p><i>A. Sports products</i></p> <p><i>B. Price</i></p> <p><i>C. Promotion</i></p> <p><i>D. Placement</i></p>	<ul style="list-style-type: none"> - <i>company vision</i> - <i>company mission</i> - <i>company objectives and marketing objectives</i> - <i>company strategies</i> - <i>company culture</i>
	II. Implementing the marketing plan	
	III. Control	

Figure 1. The planning process in marketing. Source: Matthew D. Shank, p.38

- A written definition for organizational vision over clients, competitors, employees, investors, activities and the future;
- A way to success as the whole strategic vision will guide any decision taken.

Based on those above, we can deduce that a strategic plan's purpose is to ensure the company a competitive advantage. Starting from this, any enterprise that wants to gain a favorable spot must be capable to permanently adapt to market fluctuations and try to satisfy consumer needs by putting to use strategic planning oriented to the market. This concept has been issued by Ph. Kotler: "*Market oriented strategic planning represents a management process of establishing and maintaining a good relation between objectives, staff training and company resources, on one hand, and market environment on the other hand. Strategic planning's objective consists of permanently adapting activities and company products for development and obtaining profits*" (Ph. Kotler – Marketing Management, Bucharest, 1997, p.103).

In Kotler's view, strategic planning can be defined by the following:

- a) company activities are considered as being an investment case in which the organization will be the one to decide which activity should be extended, maintained or eliminated;
- b) exact prediction of potential profit for every activity regarding as well the market growth

rate and the company's position;

- c) setting a strategy for each individual activity with the purpose of hitting objectives.

A different author, Manfred Bruhn considers planning as a classic management functions (analysis, planning, applying and control) while the entire marketing planning process must be seen as an ideal which does nothing more than picturing the way in which marketing as an organization department takes the initiative in leading the enterprise on the market.

M. McDonald profoundly clarifies what marketing planning is about: "*planned use of marketing resources for achieving marketing objectives*". This process is made up of "*a logical sequence and a series of activities which ultimately lead to setting some objectives and issuing plans for fulfilling objectives*". (McDonald, 1993, p.13) These activities, being in logical order mean going through clear stages all meant for reaching goals. McDonald gives the following stages of the marketing planning process (Figure 2).

Later, in a different book called "Strategic Marketing Planning", 1996 – the same author reviews the stages by adding new ones and classifying them according to four different phases: establishing ultimate goal, establishing current status, strategy concept, tracking and attributing resources (Figure 3).

The motivation behind strategic planning is based on hard, unquestionable evidence of sport organizations that have managed real

performances (Real Madrid, A.C. Milan, Leanders United) by comparison to others which, although have the knowledge required, they do not put it to use. However, theory and practice have differences which make a strategic plan prone to a set of barriers:

- Cultural-political barriers – expressed by a lack of confidence in marketing planning as well as in the need for change;
- Cognitive – expressed by lack of knowledge and skills in marketing planning. (M. McDonald, pages 47-48).

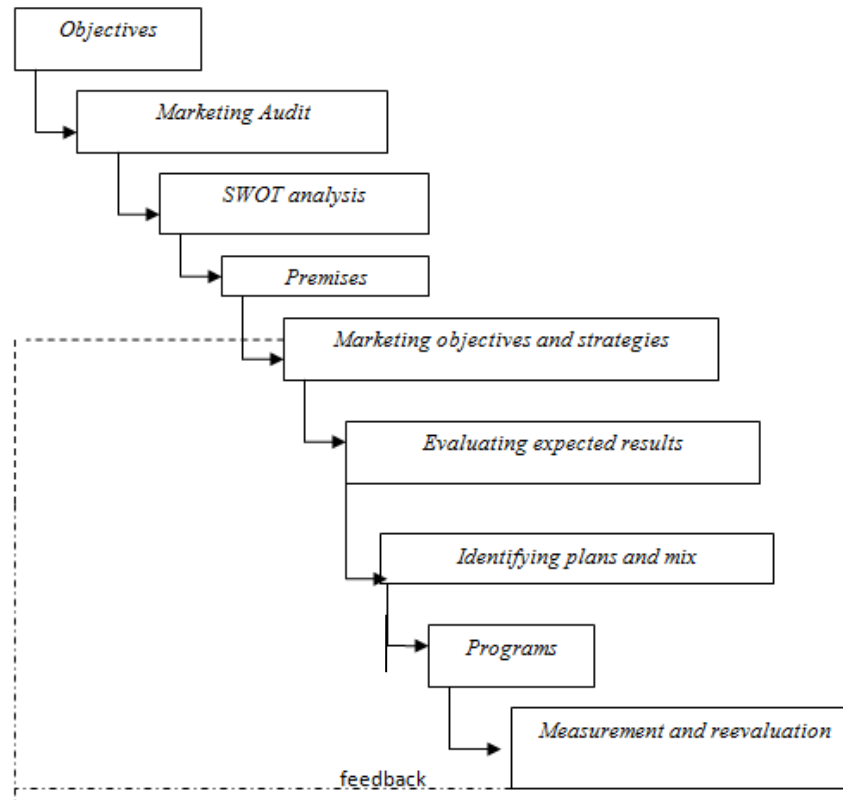


Figure 2. The marketing planning process.

Source: M. McDonald - *Marketing Plans*, 2nd edition, Butterworth-Heinemann, Ltd., Oxford, London, 1993, page 13

A different but important conclusion regarding strategic planning is that a process requires use of methods, techniques and complex instruments that are not always well understood and applied by marketing specialists. These techniques (Porter's matrix, Ansoff's matrix, BCG matrix, SWOT analysis, GAP analysis, etc.) require a careful thinking as individual parts as well as their relations.

A different aspect which must be clarified regarding strategic planning is about the various decisional levels that exist in an organization. Following Phillip Kotler, strategic planning can be done at a company level as well as at a

strategic unit of activity (SAU). Both need travelling through specific stages which are meant for practical use of preset objectives. These strategies can be:

- Corporate or general – they fit to overview objectives;
- Business strategic units strategies – they fit every unit's objectives;
- Functional strategies – they correspond to general objectives derived and are about tactics involving the marketing mix.

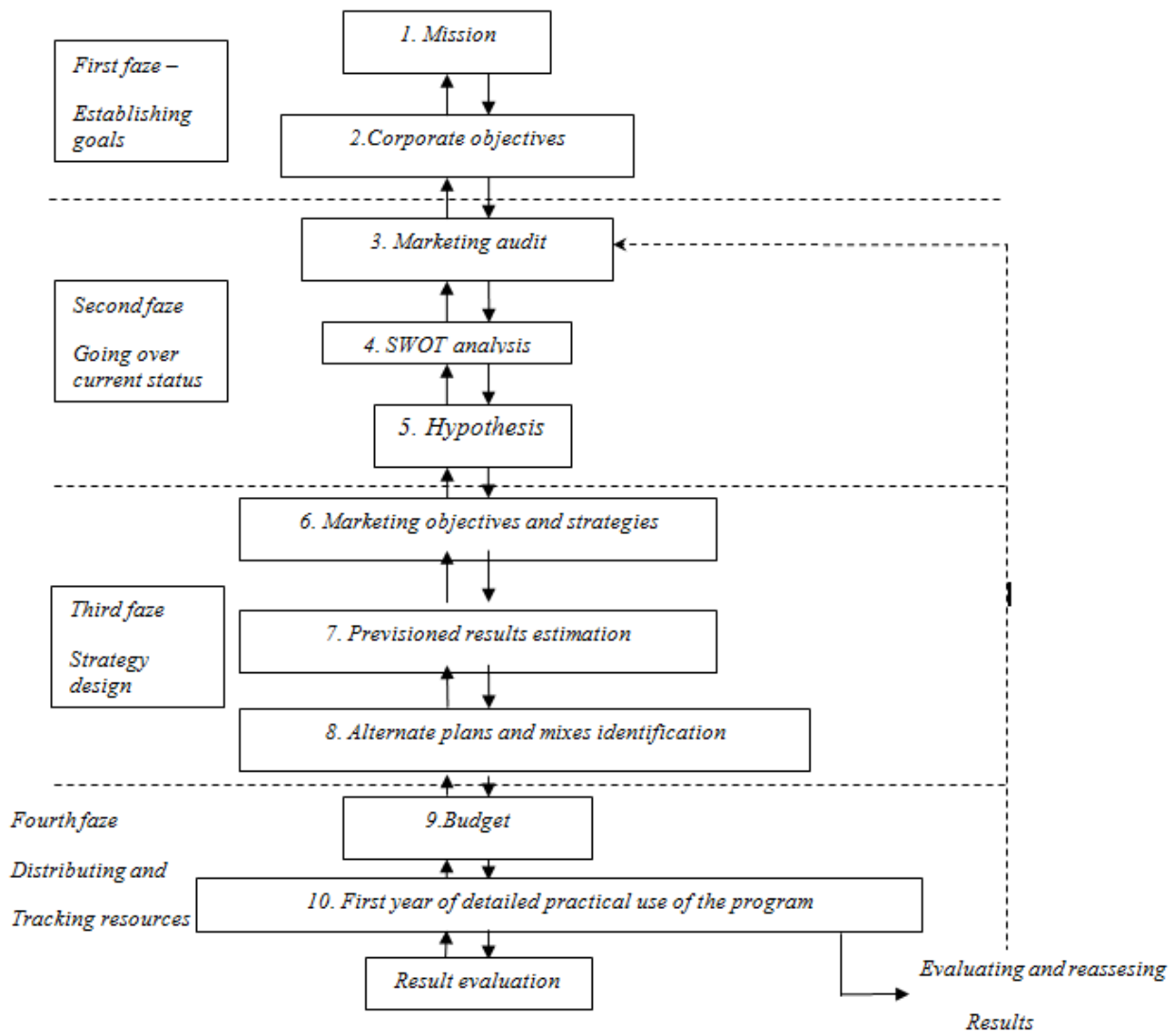


Figure 3. Marketing activity planning process. Source: (McDonald, 1998, p. 53)

Such strategy classification criterion, according to hierarchy, gives way to dual-approach, both from a management point of view and a marketing one for strategic planning. If we refer to company level, strategic planning will be market oriented and will follow: setting development objectives and strategies (Ansoff, Mintzberg, etc.). At a unit level, strategic planning will set global objectives and strategies (Porter), continuing, afterwards, with marketing strategic planning which wants to fulfill marketing objectives (market strategies and marketing mix strategies). As one can see, strategies are deeply connected with objectives – base for any strategy. Overall, in an organization, an entire network of objectives

and strategies is created and which are only efficient if every level of management fulfills them. For example, a corporate objective like reaching a certain level of profitability will be achieved through a development strategy which will track on which markets and with what products is this objective viable. At the next level, SAU, derived objectives will be established and also strategies that will target getting a competitive advantage. Then, at a functional level, marketing objectives and strategies oriented to the market and to the marketing mix elements will be made. Schematically, this direct link between objectives and strategies can be seen like this:

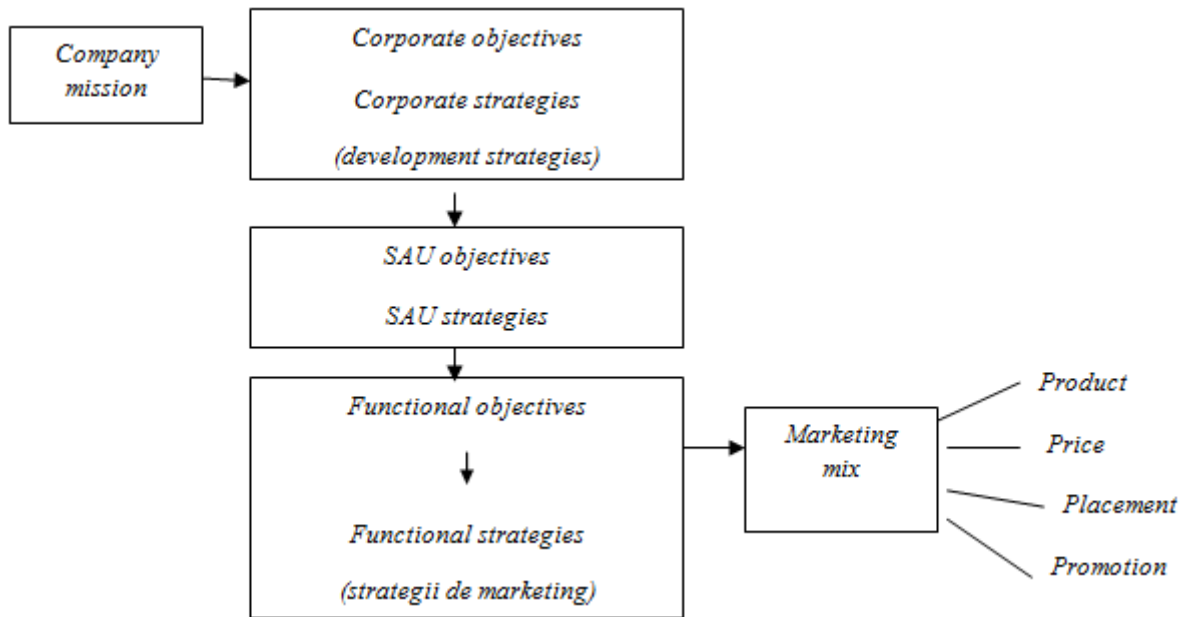


Figure 4. The link between objectives and strategies at an organizational level

Tackling strategic planning according to hierarchy levels is an obvious example of management and marketing interferences used both in practice and in theory. In many situations, different terms usage caused major confusion (strategic planning, market planning,

marketing strategic planning), which represents a weak spot of adapting these concepts in Romanian or in a different literature belonging to different authors (Ph. Kotler, M. McDonald, etc.). That is the reason for which a concept clearing was needed (Olteanu, 1991, p. 99-101).

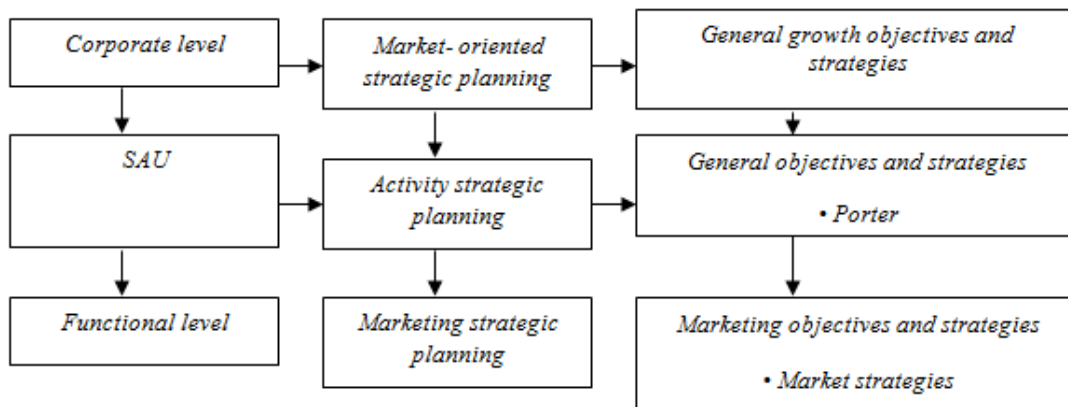


Figure 5. Strategic planning type according to hierarchical levels

As a result, marketing strategic planning must be understood as a complex process of creation and development of marketing objectives and strategies which intervene only at a functional level. This process involves knowing surroundings and identifying opportunities. Lack of coherence in the decision process and worse, lack of knowledge and skills on a company level can lead to unprofitable situations. For example, not using all existent management levels in a strategy creation

process has serious implication over overall success.

2 Organizational strategic planning steps

Strategic planning means going through several important stages, each stage being market oriented. This vision –characteristic for strategic marketing, has the role of assuring company competitiveness on long term. Included in strategic planning, marketing strategy has a high

role. Basically, through a planning process an organization can create a strategy adapted to its environment.

Florescu states: “the main trait of marketing planning is strategic vision imposed by the necessity of building a system of ratios between the market and organization, capable to ensure a maximum conversion rate for its potential and for the market potential” (C. Florescu. V. Balaure, St. Boboc, I. Cătoiu, V. Olteanu, N. Al. Pop, page 461).

Marketing strategy has a key role in the strategic planning process – in its design and in its use, following some steps being also necessary. In marketing literature a series of models reflecting those stages are available. So, by Kotler, if you target a strategic planning at an organizational level the following steps will be required: defining SAU, distributing resources for every SAU and planning other activities. Schematically, this flux can look like this:

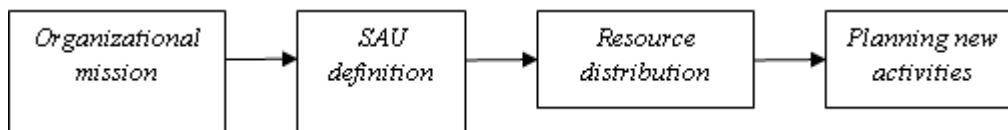


Figure 6. Strategic planning at an organizational level

Every SAU has the following stages in the strategic plan: defining mission of every SAU, outside environment analysis, internal analysis,

objective design, strategy design, program design, implementation, revision and control.

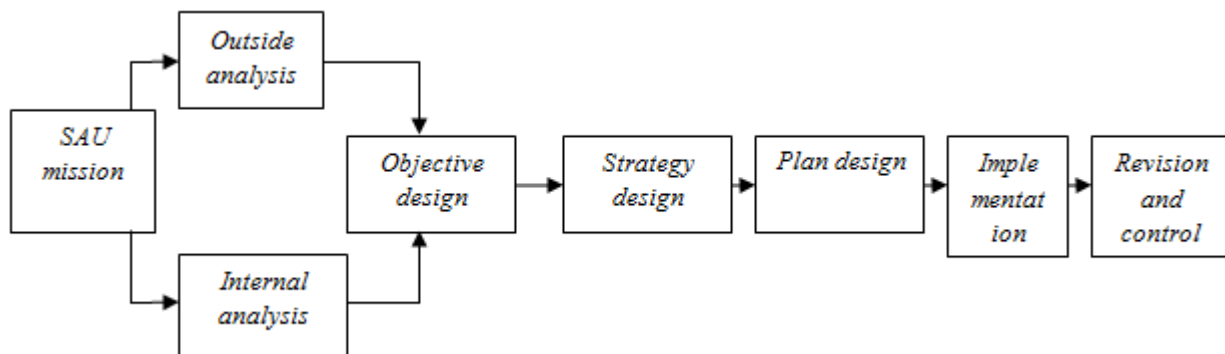


Figure 7. Strategic planning at SAU level. Source: Ph.Kotler – page 123

At a functional level, marketing strategic planning has the following stages: market segmentation, market-market choice,

positioning and assembly of the right marketing mix.

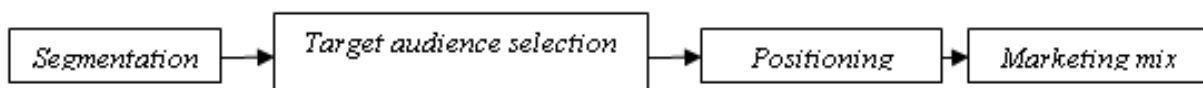


Figure 8. Strategic planning at a functional level
Source: M.McDonald – page 53 and Ph.Kotler page 122

As a result, if a sequential scheme is required, a company can follow the following pattern that has 4 distinct fazes and specific instruments and methods:

I. Establishing strategic vision:

1. Defining organizational mission;
2. Defining activity nature;

3. Defining SAU;

4. Establishing general company objectives.

II. Status analysis by using:

1. Marketing audit;
2. SWOT analysis;
3. Issuing hypothesis regarding the

marketing environment.

III. Marketing strategy design:

1. Strategic marketing objective design;
1. Marketing mix establishment;
2. Marketing program.

IV. Resource distribution, implementing and control of marketing activity:

1. Budget establishment;
2. Program implementation;
3. Marketing control.

3 Marketing strategy types used in sports

The complexity of an organization's environment, increasingly powerful competition and increased consumer standards as well as other factors make an organization design its activity by using marketing strategic planning. The central point of this is the marketing strategy which consists of taking in consideration aspects regarding strategy purpose, organizational mission, objectives, marketing environment, market, competition market, competition, consumer segment.

In specialized literature, the problem of marketing strategies is quite diverse and often hard to understand due to the fact different choice criteria is used. If we take a marketing look at it, strategies have to keep note of a series of factors like: market, product, consumer segments, competition, etc.

A different aspect related to issuing a strategy takes in consideration the fact that an organization will use multiple strategies based on many criteria which eventually leads to building correlations. In other words, what is the link between multitudes of criteria for choosing a strategy which an organization can use and how can they be used in practice? In order to answer to this question, a strategic alternative analysis is needed which depends on the organizational vision, amplitude of alternatives and the management level on which they are spotted. We must underline that this complex approach to creating marketing strategies can only be completed by market oriented organizations called "marketing

companies" because of their whole vision over the entire process of achieving all organization activities. Furthermore, for a proper use of instruments and marketing techniques a rigid usage is not the only thing needed.

Many times, creativity and inspiration of those who apply those methods have a decisive role in choosing that strategic option that is most suitable for the company. An integrated approach to both internal and external environments is a must. Competitive marketing strategies means also understanding the context in which a company needs to define its objectives and strategies which will be followed afterwards. If we assume this all "track" starting form marketing needs a proactive approach, even aggressive, then you can also assume differences between losing companies and victors is given mostly by putting to use those competitive marketing strategies. A competitive strategy will always have as base the whole "strategy" concept – mostly the direction in which the organization will go for achieving its goals. "How" this goal is achieved will be observed by used tactics.

The marketing strategy will be applied by taking in consideration a series of important criteria: strategy purpose, competitiveness, market evolution, product life-cycle, market segments and competition.

All these criteria form the decisive element mix for designing a strategy. Still, there is no universal rule on which exact criteria a strategy must be based on. What is certain is that the chosen strategy must be effective and must contribute to gaining an advantage position for the enterprise. McDonald recommends twelve ways to choosing an effective strategy: (M. McDonald, 1998, p. 240-248)

- understanding competition advantage source;
- differentiating understanding;
- business environment know-how;
- knowing competitors;
- knowing own strengths and weaknesses;

Table 1 Competitive strategy criteria list

	Better offering competitor	Weaker offering competitor
Better marketing competitor	<ul style="list-style-type: none"> - offer improvement - differentiating - developing a stronger network - strategy usage - faster product introduction 	<ul style="list-style-type: none"> - upgrading image - intensifying sales effort - intensifying promotion efforts - cooperation - competing at the same level - developing a stronger network - strategy implementation
Weaker marketing competitor	<ul style="list-style-type: none"> - bettering the offer - cooperation - stronger strategy design - same level competition - faster product launch 	<ul style="list-style-type: none"> - competing at the same level

Source: Lars Tvede, Peter Ohnemus – *Marketing Strategies for The New Economy – The Wiley /Sons, Ltd., England, 2001, p.142.*

- understanding market segmentation;
- understanding product/market dynamics;
- understanding product and market portfolio;
- settling strategic priorities;
- understanding client orientation;
- marketing professionalism understanding;
- leadership ability.

Other sets of criteria worthy of taking in consideration are about competitor offers and the level of marketing quality in the organization. Developed competitive strategies are usually more about describing any possible action rather than a detailed tactics description. Authors L. Tvede and P. Ohnemus forward competitive strategies according to two opposite situations – positive and negative which take in consideration those written above.

These competitive strategies can be tackled only if the competition analysis is done close by a direct competitor's position. However, the difficulty of identifying direct competitors and, moreover, the offer and rival marketing analysis can pose a real threat in choosing the right strategy according to both criteria mentioned above. In principle, there is possible to identify direct competition, which acts on the same market, and by using analytical methods (positioning map) one company can exactly know its competitive status. These competitive strategies represent only a landmark frame – choosing the most appropriate options being a touch of finesse and mastership from marketers' behalf.

Another aspect refers to the moment in which a

strategy is applied, moment which can be as important as its contents. Therefore, an organization applies its strategy either too slowly – allowing its competitors to throw them off their game or too quick – when it attempts to launch a product well before a potential customer is willing to buy it. Even though that organization has correctly evaluated its advantages based on real competitive situations, this match between advantages and opportunities is just a small window as things change from time to time. This period of time in which all organizational strengths match with available opportunities is called “strategic window” (Gilbert A. Churchill, J. Paul Peter, *Marketing Creating Value for Customers*, Austen Press, Richard D. Irwin Inc., 1995, page 130). As a conclusion, marketing strategies must act out while these windows are open which will allow them to be successful. It is, once again, underlined the correlation needed between designing a strategy and its usage.

If we look at the offensive strategies together with offensive marketing, we can easily spot how their goal is obtaining success by means of total activity use. J.H. Davidson used for the first time P.O.I.S.E to describe all necessary elements for applying an offensive marketing (Samuel K. Ho, Amy S.F. Choi, *Archiving marketing success through Sun Tzu's Art of Warfare*, *Marketing Intelligence & Planning*, nr. 155, 1997, pages 38-47). Therefore, P.O.I.S.E (Profitable, Offensive, Integrated, Strategy and Effectively Executed) shows a strategic vision of an organization market oriented which has

the following characteristics:

- It must be profitable; the company must achieve a balance between its needs expressed in profits and consumer needs for a certain value;
- It must be offensive; the company must have a proactive behavior, “to shape” the market, determining all others to follow;
- It must integrate marketing vision with all hierarchical levels;
- It must apply a strategy; a careful competition analysis is advised;
- It must actually execute the strategy, having a daily routine based on accurate deadlines.

In this current section, strategies will be viewed according to the necessary mix of decisive elements needed for a base, the starting point consisting of hierarchy. As presented in the previous section, market oriented strategic planning, set on a global level will keep track of any growth strategies, SAU strategic planning will keep track of any general strategies and finally, marketing activity strategic planning will account for any marketing strategy deployment.

At a corporate level, the organization will follow the progress of some general objectives – which will be achieved by using the right growth strategies. Most renowned in literature are basic growth strategies like:

- Product-market strategies (Ansoff model);

- Mintzberg strategies;
- Product life-cycle strategies;

At the next level, that of SAU, general strategies will be put to use, according to Porter’s model, which will target obtaining competitive advantage in a field. If an organization produces only one item or in the situation in which products are characterized through a high resemblance rate regarding their characteristics growth strategies can be implemented at a SAU level. Usually, these types of strategies – growth and general can be tackled in succession in the strategic planning process. **The Ansoff model**, also known as product-market expansion model (1965), is based on four options of growth strategies depending on current market stage and also on the current configuration of company product portfolio. This model analyzes strategic options in relation to currently available products which act on current markets, being a useful instrument for identifying possible strategies, for reducing differences between intended objectives and accomplished ones (GAP analysis). The real utilitarian value of this model is also justified by the fact it allows a whole approach for the product-market couple, in the way that most valuable couples (for an organization) will be detected and exploited.

Product-Market	Current	New
Current	Market penetration	Market development
New	Product development	Diversity

Figure 10. Ansoff model strategic alternatives

Source: H.I.Ansoff; E.McDonell – *Implanting Strategic Management – 2nd edition*, New York/London., 1990, p.72.

According to this model, possible strategies that can be used by a company are:

- **Market penetration strategy**, which consists of increasing a current product volume on the current market by efficiently utilizing some marketing activities involving distribution and promotion. Influencing local product buyers through increased quantity consumption and also increased frequency of consumption – this is

the ultimate goal. For example, on a growing market, this strategy can be done by increasing promotion costs. On a market, additional sales can be generated only by increasing market share;

- **Market growth strategy**, consists of introducing current products on new markets, which involves crating new consumer segments. This strategy does not guarantee, however, short term profitability,

especially in the case of entrance barriers (for example, distributor loyalty);

- **Product development strategy** means increasing sales volume by upgrading the current product or by creating a new product for the current market. This strategy involves risks regarding elevated R&D costs, as well as elevated launch costs;
- **Diversity strategy** means launching new products on new markets having horizontal, vertical and lateral growth possibilities widely open. This strategy requires an excellent knowledge of consumer needs as well as discovering market opportunities to justify this endeavor.

Although unquestionable, the value of this model done by Ansoff – it must be shown that, in practice, there can be situations in which a market or a new product poses some danger regarding their high-degree of innovation. The higher this degree, the more difficult adopting these strategies will become.

Starting from the strategies designed by Ansoff and Porter, H. Mintzberg (1988) considers the two authors have developed strategies relatively arbitrary, the last author conceiving a more thorough classification, starting from the basic activity of the company. Strategies, according to Mintzberg, can be divided in 5 categories which target the following characteristics (Adaptation by Bogdan Bacanu, Strategic Marketing, Bucharest, 1997, pages 129-132):

- **Strategies regarding main activity placement**, in one of the production stages;
- **Strategies regarding the main business**, based on some elements that allow obtaining competitive advantages. This strategy relies on Porter concepts, value chain and general strategies. As differentiating strategies:
 - price differentiating strategies;
 - image differentiating strategies;
 - quality differentiating strategies;
 - differentiating strategies (copying competitor products);
 - strategies regarding the scale of the business:
 - undifferentiated strategies (products address all categories of people);
 - segmentation strategies (products address only some consumer categories);

- niche strategies (focusing on a single niche);
- individualization strategies (products are personalized for every consumer).

- **Strategies regarding main activity design** are based on the way in which business develops itself, being an identical model of Ansoff (market penetration strategy, product development strategy, diversity strategy);
- **Strategies intended to expand the main business** may include:
 - chain integrating strategies;
 - diversity strategies;
 - entrance and control strategies (purchasing, joint-ventures, franchise);
 - combined integration strategies;
 - withdraw strategies.
- **Redesigning main business strategies** are done by changing and combining with other businesses. For example:
 - the business redefining strategy;
 - business recombining strategy;
 - business positioning strategy.

It is quite easy to spot Mintzberg affinity towards management more than marketing, which is justified, in some measure, by the high decision making level strategies are applied. Due to the large number of strategies, this model of choosing strategies can be harder to tackle especially in sport organizations. Its complexity and the difficultness in defining base activity are some of the drawbacks of this model.

Porter model, developed in 1985, consists of three general strategies through which an enterprise can get a competitive advantage in a field:

- **Cost domination strategy** – this is about getting a competitive advantage based on production and distribution cost reduction taking the prices on a lower level than that of competitors;
- **Differentiating strategy** – means obtaining a competitive advantage by creating an unique product which can separate from all other products. The unique feature of this product will be an argument for increased price levels; consumers will also be willing to spend more on this;
- **Focus strategy** means gaining a competitive

advantage by choosing a certain market segment or a particular activity branch. There are two strategic options: focusing on costs for a market segment or focusing on differentiating for a market segment.

An organization that does not succeed in taking a concrete path may find itself in a middle situation, being caught in the middle or trapped and unable to own any competitive advantage which will eventually lead to market withdrawal.

In order to be taken in consideration and then successfully applied, all three general strategies need certain resource levels, skill as well as the right set of organizational aspects in order to function; that is why these strategic options may carry their own

specific risks. All these risks are illustrated in Table 2.

At the end of these risks, the Porter model can be utilized in practice if two aspects are crystal clear: company must anticipate the market evolution and the company must also know in detail every competitor. A real problem for those who will use this model is getting information about the nature of the institution in which an organization is included. Firstly, this must take as a unit, but then the analysis will have to focus on identifying industry segments taken as particular market sectors. The organization’s ability to find a competitive advantage which will not be easily overrun by competitors remains of the utmost importance.

STRATEGIC ADVANTAGE		
	<i>Low-costs position</i>	<i>Unique product ability</i>
Entire market segment		
Only for selected segments	Total cost domination	Differentiation
	FOCUSING	

Figure 11. Porter’s general strategies. Source: M.E.Porter, p. 47

Table 2. Aspects regarding skills and resources required as well as risks involved by applying Porter’s general strategies

Competitive strategy	Necessary resources and skills	Organizational elements	Associated risks
Total cost domination	Capital investments and capital access Tech knowledge Intensive work supervision Product development Low-costs distribution system	High cost-control Detailed reports Responsibilities and organized work Stimulation based on hitting intended objectives	Technology upgrades that cancel previous investment or knowledge Obtaining low costs through product copying or by planned investments Inability to modify the product Costs increase which limits company evolution and restricts maintaining prices at the same levels

Differentiation	Strong marketing skills Product technology Creativity Base research solid skills Company reputation A long history or a set of skills gained from other areas A good cooperation from distribution channel members	Good coordination between R&D, product development and marketing Subjective stimuli and readings in detriment of quantity gauges Highly qualified labor force stimuli	Companies that adopt differentiation may not be able to preserve customer bases due to a sacrifice of brands for lowering costs and becoming efficient Customer needs become complex and the need for differentiation is extinguished if not only diminished Product imitation during market development or growth
Focusing	Previous politics, targeted at specified segments	Previous politics, targeted at specified segments	Cost advantages obtained through niches can be fought back by competitors Differences between niche products and large market products become smaller Competitors attack niche companies on their own turf

Source: M.Porter – pages 48-53

4 Company mission. Vision. Goals

Strategic planning at all levels of an organization must be done in harmony with all marketing functions and with that company's strategic vision. It must not focus only on maximizing profits – it must also reflect company basic values. All organizations must issue an official mission statement in order to communicate intentions.

A mission must not be mistaken for short-term, medium-term or long-term objectives. (Balaure, 2000). In essence, a company mission is a statement regarding its purpose being a rational statement of existing, at the same time.

Every sport organization success can be reached only if all decisional levels within acknowledge its mission and acts accordingly to plan. Its aim is that of uniting company efforts in the same direction and establishing individual tasks, strategies and programs. Defining a company mission is a difficult task for management because it requires determination of purpose; what a company wants to do and to become. In this case, Peter Drucker underlined: "A business.... Is defined by the need which a consumer feels when he/she acquires a product or a service. Consumer satisfaction is any business aim and mission" (Drucker, 1974, p. 79). Therefore, a mission must be market oriented. That is why a mission must be able to say:

- What kind of products and services will the

company offer;

- Target consumer groups;
- Consumer needs.

If a mission is not clearly defined from the beginning all marketing planning processes will struggle being unable to determine objectives, strategies and programs.

A company mission is "a detailed description of its purpose of an action defining length, reflecting belief, aim, values and its fundamental strategies" (Donnelly, 1985). This definition engulfs the time horizon of the mission, being unable to change too often. Usually, a mission is established for a long period of time 10 to 20 years or even more, changes occurring only in the case of a product number increase or a new market launch.

Defining a mission means going through four elements (Olteanu, 1999, p. 155-157):

- Detail degree (mission width);
- Mission audience;
- Mission unique trait;
- Mission market orientation.

Detail degree means how narrow or how wide the mission is both being negative situations because they would interfere with a company's activity. For example, a natural juice producer which claims its mission is all about offering soft drinks for the entire market is obviously taking too "wide" about itself.

Mission audience is about the segment of

people which a product addresses to. Here, one must take in consideration, apart from company clients, employees and also suppliers which must be informed about the company purpose and role and about their role in fulfilling these wishes.

Mission unique trait is the key element in differentiating the company from other competitors, which will ultimately allow gain of a competitive advantage.

Mission market orientation reflects all the strategic vision of management, which allowed mission inclusion in strategic marketing. Philip Kotler considers a mission must be defined through five separate elements (Ph. Kotler, pages 107-108):

- Company history;
- Current owner and manager preferences;
- Market situation;
- Company resources;
- Company specific capacities.

A mission must also be:

- Realistic;
- Specific;
- Based on own skills;
- Motivating.

The mission must be communicated to internal costumers as well as external ones. This is achieved by a mission statement which is basically a release regarding company objectives, intentions and action paths. The purpose of this statement consists of gaining a competitive advantage on the market. That is why a mission statement must hold (Kenneth I. Cook, pages 24-26):

- A description of the main activity nature;
- A description of company clients;
- A description of offered products and services;
- A description of company's public image.

The mission must be established at every SAU level. A company mission must leave its mark and be a difference from all other sports companies. In order to be useful for a company, it must specify:

- Its purpose and its existence reason –

different said, sport performance improvement, selection, education and promotion of new talents;

- Intended hierarchy position both nationally and internationally, through best selection policies and sport training programs;
- Its attitude towards employees (managers, coaches), shareholders, sponsors, supporters, etc., directly or indirectly interested in its results;

The mission statement must, at least partially, be made of the following elements:

- Types of clients (spectators, sponsors, investors) that an organization intends on attracting;
- Main products and services supplied as well as any additional offered advantages (sport shows, advertising and sponsorship, supporter facilities and wide audience);
- The way in which that company will meet target audience expectations;
- Company philosophy, which reflects belief, values and its goals;
- A company must be preoccupied with sending the best public image to a target audience – serious sports organization having highest sport performances;
- A company capacity of realistically evaluating own strengths and weaknesses;
- Differentiation from competitors by using strengths and opportunities.

A mission must be doable and capable of orienting a smart management sector towards choosing the best alternative. An organizational mission is a reference element for the strategic planning process – it settles boundaries in which SAU operate, including marketing. This mission must be designed in such way it can stimulate manager, coach and staff cooperation. It must define direction lines according to which an organization will select its opportunities, starting from potential clients' needs, competition actions, financial resources and experience. If a sports organization will have an own, clear mission to guide its activity it is likely to obtain higher sportive performances than any other competitor.

A mission sets the general orientation for an entity. For this reason, it is not enough to indicate each level its objectives and ways to distribute resources. That is why a crucial step of strategic planning is objectives definition.

In order for objectives to lessen a company mission fulfillment, it must have the following characteristics:

- It must answer all demands coming from all groups of interested players both within and outside the company;
- External or internal environment changes will make objectives harder to meet and that is why the change of an objective occurs;
- It is necessary each objective clearly states what it wants to accomplish in a certain time interval. It must be measured. Numerical measurements increase chances of success and limits conflicts between company levels. Although quantitative objectives are favored, an organization will turn its attention to qualitative ones because they help complete a market position;
- Accomplishing objectives depends on the measure in which their level generates a higher degree of involvement from its staff. Objectives need to have an ideal formula in order to stimulate all company levels – high objectives and low ones are not options;
- Objectives must be clear in order to be understood better by managers;
- It is very important a company sets realistic objectives in order to fulfill its mission;
- Its objective design must account for other objectives' layouts as contradictions must be avoided at all costs.

From those above, defining strategic plans means issuing strategic objectives and long term strategies at a global level, in order to ensure a viable relation between own resources and environment – a situation perfect for achieving goals. Strategic planning has the role of reducing errors and placing the organization in a favorable position. Planning also guarantees for long term evolution from current status to a more promising future – this is done by marketing strategies developed on owned resources and also on environment shifts.

As shown before, a mission must be established at an organizational level as well as every SAU level. If company mission will be focused on clients, then, defining a work area will also be necessary. It can be done widely by only locating the industry in which everything takes place or in a limited way by indicating only the group of products/services produced. It is recommended that defining a work area must be done by taking in consideration both options for eliminating the possibility of letting out crucial advantages and for avoiding any confusions.

An organization can execute its activity in a single field or in several related fields, at the same time. Only after a company has succeeded in defining its field, it must evaluate activities in order to properly distribute resources to profitable ones and to let go the others. This is done by defining SAU's.

Defining a SAU is deeply connected by the definition of a work area. The "SAU" concept was introduced by General Electric which devised a method of portfolio analysis. SAU states for "a business within a company that has its own competitors and can be relatively independent from other sectors operating in the same organization" (Steiner, Miner and Gray, 1982). From this quote we can deduce SAU is a distinct activity, with its own mission deriving from the general one, and with own strategies and objectives. SAU has its own competitors so it acts on a separate target market. Kotler states SAU can be a division, a line of products or even a single product or brand belonging to a company. A different author, Theodore Levitt claims SAU must be assembled by keeping in mind consumer needs and needs satisfaction opportunities. In conclusion, a SAU can have the following three traits:

- It is an individual activity or a group or related activities which can be separately planned;
- It has its own competitors;
- It has a leader who is responsible for planning strategies and obtaining profits and who has control over most crucial factors (Kotler, 1986).

A different problem regarding SAU refers to distributing necessary resources according to every activity importance. Some of these

activities can be expanded and others maintained or even eliminated according to their own profitability.

Sport organizations and, in particular, ice hockey sport clubs – in our opinion – should function as SAUs in a powerful sport entity. Strategic planning in SAU has different aspects considering, firstly, the fact that SAU witnesses that particular activity mix that eventually leads to obtaining products and services meant for target markets. At SAU level, objectives are, in general, financial in nature, which are formulated in a similar way to those general objectives belonging to companies. Unlike general objectives, they are more specific and they are limited to a certain company activity. Still at SAU level, strategic planning has two levels (Pop Nicolae, 2000):

- Strategic level – indicates what a company is doing. Marketing checks if options are realistic;
- Operational level – indicates what is supposed to be done regarding the market. It requires:
 - defining marketing strategies;
 - transforming strategies into real actions;
 - detailing each operation and putting it to work.

Strategic planning for an organization involves the following steps:

- Defining mission;
- Outside environment analysis;
- Internal analysis;
- Objective design;
- Strategy design;
- Program design;
- Implementation;
- Revision and control.

A mission must reflect a company's purpose and be a motive for existence.

Outside environment analysis must establish an organization's relation with its surroundings, having the purpose of knowing opportunities and threats. It is very important a special care for identifying these is granted. This analysis evaluates owned resources and company potential in order to compare itself to the

outside status.

By issuing company objectives, crucial company activities are targeted – objectives need to be quantitative. They need to be realistic. Fulfilling a mission is achieved by using objectives. Meeting objectives means conceiving and choosing the right strategies. Program design allows strategies to materialize through action programs. An action program tells a company what to do, who will do it and how it must be coordinated all actions and decision within an organization. Marketing programs work based on financial resources. In order to implement them, internal factors play a crucial role.

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