

Knowledge Management to Minimize the Marketing Challenges using Strategic Management as a Tool

Animesh Agrawal

Department of Mechanical Engineering, NIT, Raipur, C.G.
India

animeshgrw@gmail.com

Suraj Kumar Mukti

Department of Mechanical Engineering, NIT, Raipur, C.G.
India
skmukti.mech@nitrr.ac.in

Abstract

To Minimize Marketing Challenges in the organization, Knowledge Management plays a vital role. Various challenges are there which have to be minimized to survive an organization in the market among its competitors. Hence it is felt by organizations that there is a need for a strong tool by which these challenges can be minimized, although complete elimination of these challenges is not possible. In this article, authors have identified some important challenges and focused on minimizing the same. This article provides a deep synthesis of related available literature and the gist a brainstorming session which was arranged to focus to identify vital challenges. Some vital Challenges are enlisted as stagnant productivity, low educational standards, limited competitiveness, corruption, state interventionism, increasing consumer debt. This study involves the questionnaire survey in which, 545 respondents were involved. 263 valid responses have been considered for this study, hence overall response was 48.256% for this study. Then a decision modeling tool DEMATEL (Decision Making Trial and Evaluation Laboratory Model) has been applied to prioritize the challenges and to show interrelationship among them. This article elucidates the idea about the marketing challenges and demonstrates the priority of identified challenges which has to be minimized. By this research article a researcher, businessperson and strategy makers might be benefited for the identification of the challenges as well as the priority ranking of the challenges for better strategic planning.

Keywords

Knowledge Management, Marketing Challenges, Strategic Management, DEMATEL.

1. Introduction

Marketing challenges and problems can be annoying and can seriously derail the marketing efforts. To minimize marketing challenges and problems the company needs to adopt knowledge management (KM) strategic tool for better performance. Some of the company adopt management of knowledge by formal KM initiatives while some of the company manage knowledge informally like their regular activity. Basically, KM involves the four steps knowledge generation, knowledge sharing, knowledge storage, and knowledge application. Bharati et al. 2015 explored social media's influence on organizational knowledge excellency over the hypothetical social resource and capital interchange(Bharati et al. 2015). Some of the marketing challenges as stationary output, low educational standards, narrow competitiveness, underprivileged logistics, revenue inequality, dishonesty, state interventionism, accumulative customer dues (Gouvea et al. 2018). According to a well-determined allocation of perception and demand-side circumstances, to exhibit the potential success factors for emerging social tourism and accomplishment from a marketing perception(Hausmann 2007). Wood and Darling 1993 focused highly competitive Eastern and Central European republics on the entry of global markets. Results indicated that marketing challenges were prejudiced most by "central product attributes" and "marketing practices satisfiers"(Wood and Darling 1993).

2. Literature Survey

Many articles dealt with the marketing challenges in different ways and for different sectors but according to Grönroos many existing attitudes, behaviors, and structures were the main challenges (Grönroos 1999). Spalding

and Wang (2006) studied the marketing importance in academic public library and by what method the marketing perception is smeared in marketing practice in academic public library facilities through the experiences of academic public library in USA. The study found, market research permits to the libraries for better understanding of their student and faculty library users (Spalding and Wang 2006). Marketing challenges for digital era increasingly important for the society. Digital marketing offers tremendous opportunities, through little devotion to the tangible challenges of the companies. Authors have revealed “talent gaps, structural design, and actionable metrics were the major development opportunities for an organization over the sectors (Leeflang et al. 2014). These new dimensions have been outlined which were significant for business managers, academic scholars, and commercial firms to recognize the future challenges in knowledge management and to minimize it (Lancioni and Chandran 2009). Austin (2002) examined some of the acute issues that usually govern the inspection at some historic sites. Matters recognized are the visitor’s sensational state towards the site, preceding anticipations of the location and what is to be learned and observation of site demonstration (Austin 2002). Drucker (2012) identified the major marketing challenges which will arise in the future. In this article, the author has focused towards the central, crucial and life & death issues. In this article, the author has concluded that management’s apprehension and management’s obligation are everything that may affect the enactment of the organization (Drucker 2012). Bititci et al. (2012) identified the specific performance challenges measurement within a holistic systems-based framework. Authors have concluded the whole study by the performance-measurement field have to develop in the circumstance of international and business trends (Bititci et al. 2012). A set of general problems that antagonize practitioners who attempt to transfer the marketing approaches have been identified (Bloom and Novelli 1981). Hughes (2003) examined some of the marketing challenges which was involved in electronic banking through associating two case studies. The author has concluded the study by developing the mainstream channel, but apprehensions have been elevated about the capability of banks to accomplish client relationships successfully through this new channel (Hughes 2003). Hurrissa & Eshetu (2002) focused on livestock marketing in Ethiopia by doing the assessment of the opportunities and challenges. Authors have concluded their study by showing that the country has considerable livestock transfer capacities (Hurrissa and Eshetu 2002). Brenkert (2002) have studied the social distinctive ethical challenges. The author has concluded the more social marketing nature as a form of social involvement becomes superficial (Brenkert 2002). The use of internet is leading the risk in digital era. Competitive challenges concerning B2C and B2B arrived and their solution has become the keen interesting topic for the research (Leeflang et al. 2014). Micromarketing and macro-marketing perspectives are the big marketing system issues in the automotive remanufacturing firms (Kalverkamp and Raabe 2018).

3. Marketing Challenges

3.1. Stagnant Productivity

One of the major issue facing the market is stagnant productivity. In this research article, authors have set a three-equation set. In which one targeted towards inflation-targeting policy consequently other focused towards Keynesian policy regime and equilibrium (Carlin and Soskice 2018).

3.2. Low Educational Standards

India's low educational culture imposes a huge amount of problems with Indian business companies. Low educational standards are the main issue facing by the Indian business culture. According to Central Government of India, India spends 12.7% of GDP in 2017-2018 fiscal year which ended in March (CSL STYLE ERROR). Education Standards play a vital role in any country for development and sustainability. The data shows that other American countries have a better performance than India with population holding college degrees.

3.3. Limited Competitiveness

India is facing serious competitive challenges. According to the WEF index, India is 58th utmost competitive economy on the World Economic Forum's global competitive index for 2018. WEF says China is having a more advanced economy at the time of investigation in research and development, while India isn't a long way behind and let down just by its less-proficient organization for business creation and indebtedness.

3.4. Underprivileged Logistics

The industry which deals with logistics shows a vital role in enhancing the competitive capabilities of the companies in the global market. Moreover, the logistics-companies are becoming the major point of attraction of the companies

and provide the ability for companies to join the global supply chain. Global Logistic Performance Index (LPI) shows that India has the 44th rank ([CSL STYLE ERROR: reference with no printed form.])

3.5. Corruption

The reformation of market and corruption in Latin America has been discussed by Manzetti& Blake. Authors have depicted the except market improvements are followed in a context of transparency, these can be used as new definitions to pursue old corrupt ends (Manzetti and Blake 1996). There is a huge relation between market failure and corruption. As the government peoples are concerned about corruption and want to prevent the nation from corruption but it often undermines the purpose of the involvement (Acemoglu and Verdier 2000). The relationship between the institutional quality, shadow economy plays a vital role in corruption (Dreher et al. 2009).

3.6. State Interventionism

Authors intended at describing the major dimensions of economic transformation, failing to tie the growing needs and ambitions of the persons, state socialist administrationsmethods and exploring the connection between them. Authors have illustrated the economic and political attitudes of poles were in the process of development, parallel to the development of a new socio-economic system (Frentzel-Zagorska and Zagorski 1993). Topik (1980) examined the financialstrategies of one of the most long-lived generous regimes in Latin America, Brazil. (Topik 1980)

3.7. Increasing Consumer Debt

Customer debts are also a huge responsible parameter for market growth. Due to customer debt, a businessman can't even think about surviving in a market. It has been observed by the authors that customer debts are increasing day by day. Many researchers have focused on customer debt as it affects the most to the market and a huge barrier to the development of the market. Karacimen (2014) have studied the case of Turkey and offered a political economy approach to an analysis of the rise in consumer debt by drawing on (Karacimen 2014).

4. The DEMATEL method

Firstly, DEMATEL technique was incorporated by Battelle Memorial Institute over its Geneva Research Centre in 1973 Gabus, (1973). DEMATEL is a prolongedtechnique for structuring and analyzing a structured model for analyzing the effect. DEMATEL also present the relationship among multifaceted criteria. Though, decision making is very challenging job in the environment to fragment complex influences Wu, (2007). The study representthe DEMATEL technique to acquire a detailed analysis.

The DEMATEL technique is unique for integrated solution to fragmented and hostilecivilizationsover the world. The DEMATEL techniquehas become very popular in Japan, since, its ability to realistically visualize intricatepivot relationships. Unambiguously, the DEMATEL technique is grounded on quadratic diagram, which bifurcate the factors, indicators, challenges etc. into two groups viz. cause and effect group. This quadratic diagram is more useful than the directional graphs because of its demonstration ability and relationships among sub systems. The quadratic diagram shows the contextual relationships among the elements of a system, in which the strength of influence is affected by the represented values. Henceforth, The DEMATEL technique is capable of converting the relationship between cause and effect variables into an intelligible structural model of the system. The DEMATEL technique is also capable of showing the most important criteria which will affect the other criteria.

DEMATEL technique can reduce the number of criteria for evaluating variable/factor effectiveness, concurrently; companies can improve the effectiveness of specific variables/factors based on the impact digraph map Tzeng, (2007). Therefore, The DEMATEL evaluates supplier performance to find key factor criteria to improve performance and provide decision-making information in SCM supplier selection.

An intelligent structural model of the system can be obtained by using the DEMATEL technique. E.g. a structure contains a set of components $K = (k_1, k_2, \dots, k_n)$, and specific pairwise relationships are obtained for structuring with respect to a mathematical relationship E. Subsequently, the techniquedepicts the relation E as a direct-relation matrix viz. indexed like wisely on both proportions by components from the set T. Moreover,the instance where number 0 seems in the cell (i, j), if the record is a positive integral which has the meaning of (1), the well-ordered pair (k_i, k_j) is in relative to E, and (2) there occurs a relation in element a_{ij} that affects element k_j . This exploration uses the DEMATEL technique for analysing the information, and improves the indispensable DEMATEL phases below. Firstly, the pair-wise judgementmatrix may be designated into fivepoints, where score 0, 1, 2, 3, and 4 represent “very low influence”, “low influence”, “medium influence” “high influence”, and “very high influence” respectively. An preliminary direct-relation matrix T is a $n \times n$ matrix is acquired by pair-wise

judgements in terms of influences and guidelines among criteria, in which T_{ij} is represented as the degree to which the criterion i effects the criterion j, i.e., $T = [T_{ij}]_{n \times n}$.

5. Structural modeling and discussions

The study comprises the DEMATEL technique, different opinion of the businessperson and personal interactions with the businessperson has been collected for the evaluation of the result. After meeting with the businesspersons of different area and sectors, authors have found that some vital challenges for the market are stagnant productivity, low educational standards, limited competitiveness, corruption, state interventionism, increasing consumer debt. After identification of these market challenges, authors have again portrayed a questionnaire regarding these challenges. These challenges were then filled by the businesspersons and pairwise comparison has been done. The parameter for filling this questionnaire was 0, 1, 2, 3, and 4 represent “very low influence”, “low influence”, “medium influence”, “high influence”, and “very high influence” respectively. After assortment of this questionnaire, an average direct influence matrix has been arranged which is shown in table 1.

Table 1 Direct Relation Matrix

	A1	A2	A3	A4	A5	A6	A7
A1	0	3	4	3	1	1	1
A2	3	0	1	1	1	0	1
A3	1	3	0	3	1	1	1
A4	0	1	1	0	3	4	3
A5	0	0	0	3	0	4	1
A6	3	1	3	3	3	0	3
A7	1	1	1	1	3	3	0

Table 2 Prominence and Relation

Challenges	Abbreviations	C	R	C+R	C-R	Ranking
Stagnant Productivity	A1	13	8	21	5	3
Low Educational Standards	A2	7	9	16	-2	7
Limited Competitiveness	A3	10	10	20	0	4
Underprivileged Logistics	A4	12	14	26	-2	2
Corruption	A5	8	12	20	-4	6
State Interventionism	A6	16	13	29	3	1
Increasing Consumer Debt	A7	10	10	20	0	5

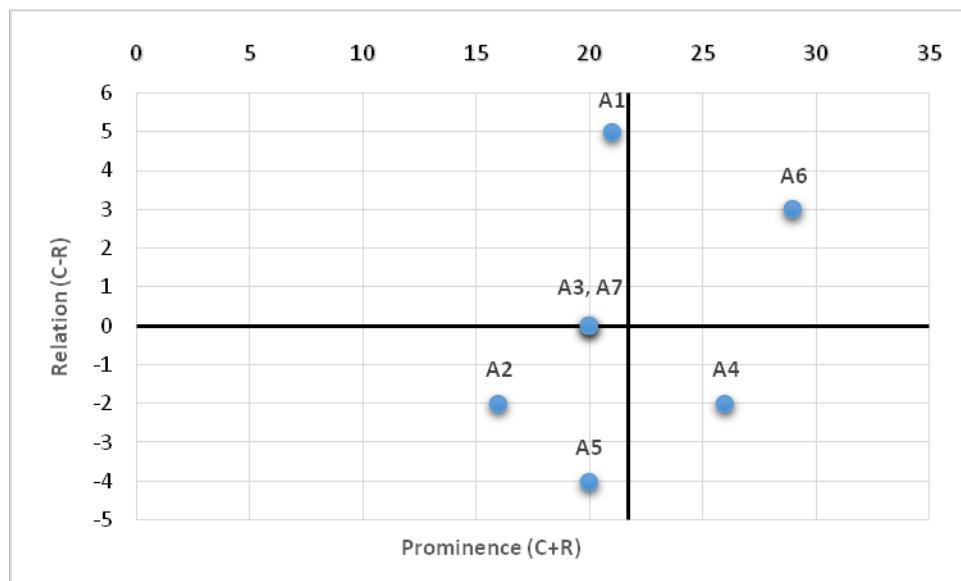


Figure 1 Interrelationship b/w Marketing Challenges

6. Result

The research discusses the marketing challenges, facing by the organizations. In this research, Mukti Criteria Decision Making has been adopted as DEMATEL technique. DEMATEL technique is an advanced technique which firstly, prioritize the factors secondly, it shows the interrelationships between them. This research identified seven main marketing challenges (Stagnant productivity, low educational standards, limited competitiveness, underprivileged logistics, corruption, state interventionism, and increasing consumer debt). The result depicted that state interventionism, underprivileged logistics, and stagnant productivity is the major affecting challenges while, limited competitiveness, increasing consumer debt and corruption is the least affected challenges in an organization. The result also illustrates that the company needs to overcome the major challenges like state interventionism, underprivileged logistics, and stagnant productivity. It is also suggested that a company ought to form a decision manager who works for the minimization of these challenges and adopt a suitable decision-making technique for the betterment and improvement of the organization.

After the calculation of prominence (C+R) and relation (C-R), the origin has to be found. It is the need of the DEMATEL technique to locate the origin first take the average value of the prominence and then the average value of relation. By taking the average of the prominence, authors get the first origin value viz. 21.714. consequently, after taking the average value of relation authors get the next origin value as 0. This origin divides the figure 1 in

four quadrants. According to the analysis of the figure 1 state interventionism possess the high value of prominence and relation in I quadrants. The IV quadrant possess high prominence value but low relation value; the marketing challenges comes under this quadrant is underprivileged logistics, which means this challenge has the essential items impacted by other challenges. Other challenges are situated in II quadrant, with low prominence but high relation; they are stagnant productivity, limited competitiveness, and increasing consumer debt. Due to prominence being lower than the mean, 21.714, and the relation being near the mean, 0, it means that these challenges impact other challenges; III quadrant has low prominence and relation; they are; low educational standards and corruption. It can be seen from the causal diagram; state interventionism is the key impact challenge which affect the market the most.

7. Conclusion

This study uses the DEMATEL technique for the evaluation of current challenges in marketing industries. The result of the study hopefully forecasts to understand the marketing challenges. Authors have done the prioritization of the marketing challenges by which a businessperson, a researcher, a practitioner may get benefited. Table 2 shows the value of the prominence and relation. Figure 1 shows the interrelationship among different marketing challenges. It is easy to locate, which challenge is more important and which is not for a company. The figure will also helpful for the decision maker to take the decision regarding the challenges. It eases to find out the most prior challenge which affects the market most. In this research, authors have found that state interventionism is the most effective challenge in marketing and low educational standards as the least effective challenge. To overcome state interventionism, a company need to adopt knowledge management strategy as a tool. The study also shows that a businessperson has to manage and fight against state interventionism challenge.

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Biographies

Animesh Agrawal is a research scholar (Ph.D. Scholar) in Mechanical Engineering Department, NIT Raipur, India. His main area of interest is knowledge management, optimization, and ERP. Currently he is working in the collaboration of knowledge management with different fields like artificial intelligence, artificial neural networks etc. He has presented more than 6 papers in highly indexed journal attended more than 14 international and national conferences.

Dr. Suraj Kumar Mukti is working as assistant professor in the department of mechanical engineering, NIT Raipur. His area of interest is Industrial Engineering & Management, Enterprise Resource Planning, Management Information System, Knowledge Management, Change Management, Customer Relationship Management, Production Engineering & Technology. He has presented more than 14 papers in reputed journal and attended more than 15 international and national conferences.