

THE IMPACT OF MARKETING MIX ON COMPETITIVE ADVANTAGE AMONG COMMUNICATIONS COMPANIES IN THE HASHEMITE KINGDOM OF JORDAN (CASE STUDY)

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ABSTRACT

The present study aims to survey the vital role played by marketing mix in companies of communications at the level of support, survival, and continuity of those companies, and the impact on competition in companies of communications, as well as to identify the extent of impact of the marketing mix on competitive advantage in companies of communications in the Hashemite Kingdom of Jordan, the importance of this study is to connect between marketing mix on competition under globalization and opening market. The study found a need to concern about distributing of the distribution points by geographical area not only by population density, and it is concerned about the need to diversify price segments to suit all classes of the society.

KEYWORDS: Communications, Competitive Advantage, Product, Price, Distribution, Promotion

INTRODUCTION

As the competitive advantage is a fundamental pillar between industrial and service companies I took the concept and importance of, factors influencing the creation of competitive advantage, methods that rely on time-series, and evaluate marketing competition (Sumaidei 2010).

Hence, the developments in the market, by information technology revolution and rapid global communications, led to development of marketing in its essence in studies, approaches, and analysis. This study dealt with the concepts of marketing, marketing mixture, and its basic elements (product, price, distribution, promotion and the marketing environment) and the effect of those elements in sales in companies of communications.

Business organizations face today, while doing their business in domestic and international markets, a very stiff competition, this competition is surrounded by various risks and uncertainties, so many organizations have resorted to restructuring their positions in order to enhance their chances of survival and growth. Restructuring and the emergence of many concepts, including the concepts of marketing mix, are resulted from these efforts.

PROBLEM OF STUDY

The openness of the market of Jordan on the global markets become inevitable, and unavoidable. This openness will put these companies in the face of companies with larger and more experienced, which imposes on communications companies to create a competitive environment by strengthening its capabilities in the components of the product, pricing, distribution and promotion.

Enabling its dynamic and constant change. The market is now living in the light of the increasing competition and the inevitable undoubted inescapable.

So the problem of the study stems from the magnitude of the formulations of capitalism, the investments by companies of communications, and the increased competition among companies of communications in Jordan, forcing them to adopt new marketing strategies, influenced by the market, including marketing mix strategy

Research Hypotheses

- There is no significant statistically relationship at the level of $(0.05 \geq \alpha)$ between price and competitive advantage in companies of communications in the Hashemite Kingdom of Jordan.
- There is no significant statistically relationship at the level of $(0.05 \geq \alpha)$ between product and competitive advantage in companies of communications in the Hashemite Kingdom of Jordan.
- There is no significant statistically relationship at the level of $(0.05 \geq \alpha)$ between distribution and competitive advantage in companies of communications in the Hashemite Kingdom of Jordan.
- There is no significant statistically relationship at the level of $(0.05 \geq \alpha)$ between promotion and competitive advantage in companies of communications in the Hashemite Kingdom of Jordan.

The Study Importance

The study importance come from its focus on a very vital and important sector, namely, Jordan communications, as the communication service industry become one of industries that require attention, and studied in a scientific manner, especially with the use of advanced technology in this area, where the number of existing companies of communications sector are.

The Study Objective

This study aims to state of the essential role played by the marketing mix in companies of communications at the level of support, survival, and continuity of these companies and the impact on competition on the companies of communications. Providing a conceptual and practical framework on impact of the concept of marketing mix on competitive advantage

Marketing Mix

Marketing mix is one of the most important and prominent elements that make up any marketing strategy. (Kotler) sees that marketing mix is marketing itself, or more accurately, the marketing mix in real is the overall strategy laid down by senior management of the company.

This marketing mix (traditional) has been subjected to severe criticism by researchers in field of services, as they agreed on, that mix as a traditional inherited from post-industrial revolution era, was not suited for the services sector (al-Tai, al- Alak 2009) p 85.

First: Price: The price is one of important elements of marketing mix as a determinant affecting the profits of the organization and attract consumers to buy their products. Thus, the study of prices has a particular importance in marketing and sales operations due to its direct relations with sales, costs, and profits (al-Omar, 2005) p 237.

The Concept of Price

It is defined as the amount of money and other elements that benefitting from to get a product (Cutler 170) It is also defined as money which is paid in order to obtain a physical thing, a service, or privilege (Khairy al-Din, 1972), p 170.

The Importance of Price

The price for the company is an important factor in the coverage of the costs of its various activities, whether including those related to the activities of others marketing (business, management, research, development, raw materials) or marketing activities (promotion, sale, distribution) to achieve a total return and thus account for profits earned (Bakri, 2006) p 170.

Pricing Objectives

The pricing is one of the most important pillars, the company must focus on them because of their importance, which was largely consistent with the nature of the targets wishing to be achieved, as:

- **Survival:** Its success in the market means its survival and continuity in work. So, the survival objective is more important than achieving objectives.
- **Maximizing Current Profits:** The company is seeking through this objective to maximize profits through price set by the appreciation of its products for advance appreciation of demand, cost, and available pricing alternatives.
- **Maximizing Current Revenue:** Some companies set their prices to maximize revenue generated from sales and this objective is associated largely with company's ability to estimate the size of expected demand of their products.
- **Maximizing Sales Growth:** It is may be called for marketing share, as some companies seek to maximize the number of sold units, however it could give it a chance to reduce the cost per unit (Bakri 2006)

Factors Affecting Pricing Decisions

The pricing decisions are exposed to many direct and indirect factors that interfered by the company to the market, and these factors as the following:

- **Organizational and Marketing Objectives:** Marketing managers identify products that they deal with in line with the objectives and mission of the organization.
- **Forms of Price Objectives:** Pricing objectives required to be filled shall take into account in approving the company's prices.
- **Cost** this factor is the most important factor influencing the decision of the price because of the cost impacting the direction of earnings and profit level prescribed by the following equation:
- $Price = cost (production + marketing) + profits.$
- **The Other Variables in the Marketing Mix:** Pricing decisions are affected by the decision in the decision of marketing mix as much as it is related to the product, as high prices mean a decrease in the number of sold units.

- **Expectations of Participants in the Distribution Channels:** When decisions on pricing of the product was taken, producer shall take into account the expectations of potential participants of marketing channels (brokers, Wholesalers, retailers).
- **Response and Perceptions of Consumers:** When the Price formation by the company, before forming it the company has to ask what are the perceptions held by consumers about the price and what is the degree of response to it.
- **Competition** the degree of competition by the seller at the market differ it its ratio which is unique in the market or the existence of any other competitors, price is determined for goods on the basis of similar or alternative goods (Bakri, 2006) pp. 173-177.

Second the Product

The main and the most important component of the marketing mix, which the organization is relying largely on achieving their objectives successfully and superiority over others, on the grounds that the essence of the marketing process focused towards delivering something (a commodity, service, idea) from producers to consumers, and without the of the existence of this thing there is no important for the exchange process (Bakri, 2008), p 251.

Product Concept

A commodity, service, idea, organization, and individuals, groups or places to provide a package of properties of concrete and intangible with physical or social nature in the market to satisfy desires of the beneficiary final consumer (al-Tai, 2006) p 108.

Also it is an integrated set of strategies that detailed policies, programs, and activities geared towards resources owned by the organization to accomplish marketing objectives.

Levels of the Product

The product can be divided into four levels, as is in the following (1-2) Figure:

Level One

Core benefit: Because the essence of successful offers solutions to the problems facing the service as much as it is related to the benefits derived from the product

Level Two

The actual product Changing or converting of the fundamental benefits to the actual product through the development of features of product, service, design, quality level, and packaging (al-Tai et al, 2007), p 156.

Level Three

Additional Product: At this level the product planners are requires to build additional product around the core benefit and actual product by offering additional benefits and services (after-sales service, maintenance, installation, plug).

Product Categories: There are multiple categories of the product which is as follows:

Consumable products (products of Final consumer):

- **Facilitators Products:** It is consumable goods acquired by the final consumer in a simple effort.
- **Shopping Products:** It also acquired by final consumer but he is comparing them on the basis of the appropriate, price, quality, style, and shape of the product or its attractiveness.
- **Special Products:** Characterized by the same features and distinctive characteristics, and it has well-known and well-established brands.

Distribution

Distribution is one of the most important elements of the marketing mix through which the products are delivered to the target audience at the appropriate time and place.

- **The Concept of Distribution:** It is central chain to all activities and events related to the transfer of appropriate amounts of goods to the appropriate place at the right time, namely, without the sense of the physical distribution cannot create the spatial or temporal benefit, which is considered one of the leading marketing activities (al-Tai, 2009), p 193.
- **Importance of Distribution Outlets:** It is the median chain that helps to achieve the connection between the product and the consumer, and highlights the importance of both parties, whether to the product, or to the buyer through the essential point, which is to reduce the gap and the distance between them, and the distance is as follows: Geographical distance, time dimension, knowledge, reducing the number of communication processes (Bakri, 2006) p 196.
- Distribution Objectives:
 - Keeping the customer in touch with service / displayed product.
 - Displaying adequate options to meet the needs of customers.
 - Persuading customers to decide the appropriate decision of the displayed product.
 - Providing the audience with appropriate information to help them in decision-making (Abu Mandeel, 2010), p 70.

Benefits Resulting From the Distribution Function

Scholars of economy define benefit as it "is that added-value to goods and services, which leads to a sense of the consumer or beneficiary with satisfaction". Among these benefits:

Formalism of Benefit

Is the value perceived from good or service by the consumer when it takes a form or a particular situation, and others are wrong when they believe that the formal benefit is limited to the producers.

Temporal Benefit

It is the value perceived by the consumer for the good or service as a result of providing it in a timely manner that it wants by the beneficiary.

Place Value

It is the value perceived by the consumer for the good or service as a result of providing it in a proper place that is wanted.

Possessory Benefit

It is the value perceived by the consumer as a result of owing the commodity as car, phone device, or computer, but the service cannot be owned it can be uses in the proper place (al-Tai, 2009), p 129.

Organizing the Distribution Channel

Historically the distribution channels it is defined as a group of independent non-interconnected companies, and inconsistent as that they did not care about the overall performance of the channel, it can be divided into:

- **Traditional Distribution Channel:** Which consists of one independent production direction or more, Wholesalers and retailers, each of which is an independent organization seeking to maximize their private profits, even if enriched at the expense of the whole system, and there is no strict control on the member channel to the other members, as well as there is no formal means to determine roles, resolving conflicts between members of the channel.
- **Vertical Marketing System:** The structure of the distribution channel: producers, wholesalers and retailers as a unified system work in it, and a channel other members owns distribution channel provided that he shall have contracts with them or possess greater strength to qualify him to lead other members of the system. Forms of this system:
- **United or Joint Marketing:** This system consists of successive stages start from production under the auspices of a single owner, of the most prominent advantages of it is shorting the time and reducing costs .

Promotion Mix

Promotion is the fourth element of marketing mix, productivity and modern organizations are seeking to give great importance and allocate promotional budget in the annual programs sometimes may be up to 5% of total sales. This interest is resulted of the fact that this element is delivering information to existing and potential consumers of its products and services (al-Tai, Keywords 2008) p 217.

The Concept of Promotional Mix

It is marketing activity involves persuasive communicative process, during it, the commodity, service, idea, a person, an organization, or a particular pattern of behavior are defined in order to influence on minds of a particular audience to win over their behavioral response towards What the promoted item (al-Tai, 2009), p 218.

Importance of the Promotional Mix

Our world today is a synaptic parties world vast distances and up to work marketing it would require finding jobs marketing contribute to reducing the spacing and overlap to facilitate the parties to the marketing process of what they need, both for the consumer for obtaining goods and services or the seller by disposing the goods he deals in and achieve the appropriate resources (Bakri0. 2006), p 154.

The Objectives of the Promotional Mix

The objectives of the promotion of any industry lie in its ability to achieve the following benefits:

Supplying current and prospective audience with everything that is new and useful information about the products they handle.

Correcting errors in the perception of consumers about products offered to them and what resulted from their previous situation with the organization products.

Building a bright picture about the company and its products among consumers and increase their loyalty to their products or its brand.

Education and telling consumers about how to use the product and deal with it.

Facing of competition existing in the market, and seeking the best market share (Bakri, 2006) p 153.

Advertising

It can be said that the most agreed definition of among the specialists that is reported by American Marketing Association, it defined it as a "non-personal means to provide ideas, goods, or services by a known party and for pay" (al-Tai, et al, 2006), p 299.

Or a valued effort paid by the advertiser for the body that holds the delivery of information to the target sector (al-Omar, 2005) p 335.

Golden Circle and advertising mix: experts and advertising professionals confirmed the need to ask some questions, which are the keys to advertise success, and these questions must include an advertising mix, which is clarified as follows:

The First Question: Who is the advertiser? We mean by it the knowledge of who is advertising.

The Second Question: What is the target audience? We mean by the target audience of the advertisement.

The Third Question: What does the advertise about? This question is about goods, services, ideas, and consulting that company wants to advertise.

Fourth Question: Why does the advertiser advertise? What are the reasons and motivations that drive the manufacturer or marketer to advertise?

Fifth Question: Where and when does he advertise? This means that time and place of the advertisement must be specified (al-Tai, 2009), p 226.

The Six Elements of Advertisement

It is called 5 Ms because it begins with the letter M of each word,

- **The Vision:** Representing objectives that the organization seeks to achieve through its promotional program.
- **Objectives for the Purpose of Reminding:** The purpose of the reminder is to inform the buyer with the advertisement and the place of purchasing the product, and to remind him with potential need of this product.

- **Money:** It is amounts that are set for advertising activity it is called advertisement budget.
- **Message** It is the content that the organization seeks to deliver it to the audience and create a reminder, message should be compatible with the development of the product.
- **Mean:** It is delivering advertising message to the target audience in the light of the strengths and weaknesses that characterizes every mean compared to the other.
- **Measurement:** Good planning and control of advertising are linked largely to measure the effectiveness of advertising .

Prediction Analysis

First hypothesis of the study, which is: "There is no statistically significant relationship at the level of $(0.05 \geq \alpha)$ between price and feature in the Hashemite Kingdom of Jordan " .

To verify the third hypothesis of the study, the researcher used Pearson correlation coefficient to detect the relationship between the price forked from marketing effectiveness measurement on one hand, and between the competitive advantage of companies of communications on the other hand, in the Hashemite Kingdom of Jordan Table (1) shows the results of the analysis.

Table (1)

Second hypothesis of the study, which is: "There is no statistically significant relationship at the level of $(0.05 \geq \alpha)$ between product and competitive advantage in the Hashemite Kingdom of Jordan " .

To verify the second hypothesis of the study, the researcher used Pearson Correlation Coefficient to detect the relationship between the diversity of product forked from marketing effectiveness measurement on one hand, and on the other hand, between competitive advantage of the companies in the Hashemite Kingdom of Jordan Table (2) shows analysis results.

Third hypothesis of the study, which is: "There is no statistically significant relationship at the level of $(0.05 \geq \alpha)$ between distribution and competitive advantage in the Hashemite Kingdom of Jordan " .To test the first thesis of the study Pearson Correlation Coefficient has been used to reveal the correlation between perf

To verify the second hypothesis of the study, the researcher used Pearson Correlation Coefficient to detect the relationship between the diversity of distribution forked from marketing effectiveness measurement on one hand, and on the other hand, between competitive advantage of the companies in the Hashemite Kingdom of Jordan Table (3) shows analysis results.

Fourth sub-hypothesis of the study, which is: " There is no significant statistically relationship at the level of $(0.05 \geq \alpha)$ between promotion and competitive advantage in companies of communications in the Hashemite Kingdom of Jordan

To verify the fourth hypothesis of the study, the researcher used Pearson correlation coefficient to detect the relationship between promotion forked from marketing effectiveness measurement on one hand, and the competitive advantage of companies of communications on the other hand, in the Hashemite Kingdom of Jordan Table (4) shows the results of the analysis.

CONCLUSIONS

- From results of the analysis of the previous table, there is direct correlation relationship (positive) statistically significant, after the price forked from marketing effectiveness measure, and the competitive advantage; since the value of the correlation coefficient (0.91), which is statistically significant at the level ($0.01 \geq \alpha$), and interpreted the rate of (828%) of the variation in the price, which indicates that the prices offered shall suit all segments of society.
- From results of the analysis of the previous table, there is direct correlation relationship (positive) statistically significant, after the product forked from marketing effectiveness measure, and the competitive advantage; since the value of the correlation coefficient (0.72), which is statistically significant at the level ($0.01 \geq \alpha$), and interpreted the rate of (518.2%) of the variation in the product diversity, which indicates that the companies of communication cope with the development and modernization of its products in a high degree .
- From results of the analysis of the previous table, there is direct correlation relationship (positive) statistically significant, between distribution forked from marketing effectiveness measure, and the competitive advantage; since the value of the correlation coefficient (0.91), which is statistically significant at the level ($0.01 \geq \alpha$), and interpreted the rate of (828%) of the variation in distribution diversity, which indicates that companies of communication have multiple points of distribution and appropriately.
- From results of the analysis of the previous table, there is direct correlation relationship (positive) statistically significant, between promotion forked from marketing effectiveness measure, and the competitive advantage; since the value of the correlation coefficient (0.95), which is statistically significant at the level ($0.01 \geq \alpha$), and interpreted the rate of (902%) of the variation in the product diversity, which indicates optimization of the various means of advertising, audio, visual, and printed by these companies

RECOMMENDATIONS

- The need to focus on price and diversify as much as possible for classes, especially the middle class because they are the largest segment in the Jordanian society
- The need to diversify products to suit all segments, and to work on creating new products
- Making multiple selling points not be by population, but according to regions
- The need to intensify promotion and advertising, through advertising propaganda and incentive awards

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APPENDICES

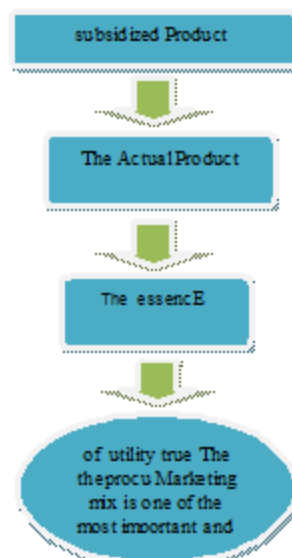


Figure (1)

The results of the correlation coefficients between the price of forked from marketing effectiveness measure and the competitive advantage among companies of communications in the Hashemite Kingdom of Jordan

Table 1: The Study Model

Element	Competitive Advantage	Explained Contrast Ratio	The Level of Significance
Price	**0,91	828%	0.01

The results of the correlation coefficients between the product of forked from marketing effectiveness measure and the competitive advantage among companies of communications in the Hashemite Kingdom of Jordan

Table 2

Element	Competitive Advantage	Explained Contrast Ratio	The Level of Significance
Product diversity	**0.72	518%	0.00

The results of the correlation coefficients between the distribution forked from marketing effectiveness measure and the competitive advantage among companies of communications in the Hashemite Kingdom of Jordan

Table 3

Element	Competitive Advantage	Explained Contrast Ratio	The Level of Significance
Distribution	**0,91	828%	0.00

The results of the correlation coefficients between promotion forked from marketing effectiveness measure and competitive advantage among companies of communications in the Hashemite Kingdom of Jordan

Table 4

Element	Competitive Advantage	Explained Contrast Ratio	The Level of Significance
Promotion	**0,95	902%	0.00

