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**Summary**

Global marketing management needs to be implemented based on valid, i.e. reliable, timely, verifiable and high-quality marketing information, which will enable valid decision-making in global business operations. The efficiency and effectiveness of decision-making is directly related to considering the comprehensive state of the chosen segment(s) of the global market. Informational completion of the picture of a market requires devising and implementing a large number of activities set in a logical sequence. Practical experience has shown that decision-making in managing global business activities of affirmed companies is based on accumulated knowledge and is regarded as a specific form of creativity, unlike operationalization and supervision, which are mostly organizational and technical issues. Bearing this in mind, the informational basis in the operation of global companies should be viewed in accordance with its significance and function in global marketing management.

**Key words**

information, global marketing management

## Introduction

Business people in economically developed countries have convinced themselves countless times of the validity of the axiom that whoever controls business information also 'rules' the market. It can be said that possessing relevant information has become the key competitive advantage in business operations on the early 21<sup>st</sup> century global market. Proper understanding of relevant information also requires relevant expertise among the staff, whose competence in assessing the current and forecasting the future conditions on the global market will result in leading the business in the most profitable direction.

Market information is therefore the key constituent of designing an efficient global marketing strategy in operating on the domestic and especially global market, as well as being an essential part of corporate decision-making process (Douglas & Craig, 1983, p. 1).

Marketing research is undoubtedly one of the key methods of gathering reliable, timely and verifiable market information. Gathering and interpreting such information requires appropriate expertise and practical skills of involved staff, so that gathered information can be presented to decision-makers in a high-quality manner. A global corporate management expects reliable information enabling the consideration of all the dimensions of the issue to be decided on. The required information may be based on experience and

assessment made by relevant experts and executives, but also on conducted marketing research (Milisavljević, 2001, p. 63).

## 1. Marketing Management and Contemporary Global Business Operations

In the process of devising global marketing programmes, corporate management requires informational basis, i.e. appropriate marketing studies covering specific issues and opportunities in global operations. Overviews of market conditions and relationships, global product market acceptance tests, regional performance maps, efficiency assessment of individual global marketing mix instruments etc. greatly facilitate devising appropriate global marketing programmes.

It can be observed that effective and efficient management of a business's global activities requires a truly wide range of information. As a contemporary global business operation management method, global marketing management relies on an informational basis covering all the relevant aspects of the chosen global market segment. The question that imposes itself is what methods of market information gathering are available to a global business.

Certain information may be gathered by possessing objective knowledge on an issue, which is, as a rule, acquired from others. In specialized marketing literature, such information is referred to as objective information (Jović, 2006, p. 119).

In addition to objective information in devising a global marketing programme, corporate management also requires specific information, which is mostly acquired through their own experience, and literature refers to it as experimental practical information (Jović, 2006, p. 119).

One of the vital reasons for business failure on the global market is the lack of information on the target market. It is, therefore, about inadequate understanding of global marketing environment factors, caused by the global company management's preoccupation with managing money, materials, production technologies and human resources. Raising global corporate management's level of knowledge of all relevant global marketing environment factors is an imperative in the contemporary management of global corporate operations. In relation to this, one can also speak of a special type of global marketing management, the so-called information global marketing management, which relies on gathering and selecting objective information.

Based on gathered information, a global business may conduct comprehensive market, i.e. marketing intelligence at all management levels, through:

- strategic intelligence, i.e. viewing the overall issues of global business operations, such as those of global distribution, pricing, attaining adequate product quality etc.;
- tactical intelligence, required by middle management executives; and
- operational intelligence, required for the steady conduct of daily activities.

In the process of designing global marketing programmes, successful global companies rely on high-quality, all-inclusive knowledge of the target segment of the global market, which is also an important source of competitive advantage. Doing business on the global markets, individual companies achieve certain results even without possessing adequate levels of information, but it is mostly the case in one-off or single global market entries. A long-term positioning of the business and continuous conduct of global marketing activities certainly requires a broad spectrum of information about the significant aspects of the global market, as a basis for making valid business decisions. Bearing all these in mind, it can be concluded that global marketing decision-making is focussed on creating a maximum possible comprehension of the global market, with the aim

of completing the set of relevant information about this market.

Contemporary business operations on the global market are laden with numerous risks, and there are also significant changes in the functioning logic of global market mechanisms. Consequently, gone are the days when corporations entered the global market based on inadvertently obtained information, without previously completed research (Vežjak, 1991, p. 60).

Information can therefore play different roles in the decision-making process related to a business's global activities. Depending on their real role in decision-making, one can distinguish three basic decision-making styles:

- intuitive decision-making;
- fact-based decision-making; and
- model-based decision-making.

A more decisive role of information in the process of making decisions about a company's global business operations results in increased efficiency level of the company's comprehensive marketing programme. There are many reasons motivating corporate management to secure a high-quality decision-making informational basis in global marketing, notably:

- raising local business operations to a national level and, in turn, replacing the national approach to business operations with global marketing;
- rather than traditional patterns of meeting customer needs, contemporary business increasingly aims to identify customers' desires, as a consequence of raised consumer demands due to increased purchasing power;
- the classical pricing-based competition is amplified with other marketing instruments, notably global brand building, product differentiation, more content-based inclusion of promotional activities etc.

Business operations on the contemporary global market have also determined the corresponding evolution of marketing management, reflected in the growing need for enhancing its informational basis. It can be said that, in a certain sense, global marketing management 'is becoming a battle based more in information than on sales power' Kotler (2003, p. 122).

## 2. The Informational Basis of Global Marketing Management

The relationship between decision-making efficiency and high-quality informational basis also favours the development of new information technologies. Contemporary information technologies enhance the flow of information, making it available in a short period of time, also resulting in gradual decline in the cost of gathering the required information. The requirement for the appropriate type, volume and content of information in global marketing stems from the character of decisions that are being made, depending on their:

- profile (meaning that decisions have to be related to the issues of products, consumers, distribution channels, pricing, promotion or some other global marketing activity);
- level (whether the decisions are made at the highest management level or lower points of the hierarchy ladder); and
- type (in terms of distinction between strategic and operative decisions).

The changing business conditions on the contemporary global market, evolution in the international orientation, the growing impact of globalization and increase in global economic interdependence have made high information levels into a genuine basis of strategic management decision-making, which directs a business towards achieving a more advantageous market position in the forthcoming period, regardless of the changes in the global environment conditions (Jović, 2006, p. 123).

Global marketing research is an efficient way of providing a good informational basis for valid decision-making in the process of managing a company's global activities. Marketing research in global marketing relies on two basic sources of data and information, i.e. secondary and primary (Fig. 1). The relative significance of sources of data and information is determined by the goals of global marketing research, whose activities can be focussed on marketing intelligence and information gathering.

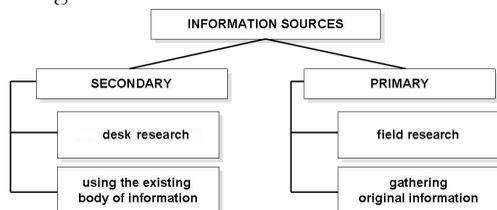


Fig. 1 Global marketing research information sources

Most frequently, the initial data and information sources in global corporate practice are secondary. Secondary data and information sources may be internal and external in relation to the company. Businesses applying marketing as a business philosophy and concept in their operations use the global marketing information system as an important source of secondary data and information. In addition to the global marketing information system, four basic sources of secondary data and information are available to companies (Jović, 2006, p. 124):

- international organizations and institutions, including regional and multinational organization forms;
- governmental organizations and national, public or public-private partnership institutions;
- non-governmental organizations and associations;
- professional and commercial organizations, i.e. their network, or contact providers.

Situations may occur in corporate practice when information gathered from secondary sources does not fully cover the defined problems of global marketing research. It is then necessary to make a conversion (or transformation) in terms of changing the originally gathered data and information into a form that will suit the set hypothesis of global marketing research (Zikmund, 1997, p. 158).

It must be said that, in addition to general, the secondary sources in global marketing research also use specific information as a basis for initiating policy planning in global business operations. Specific information is mostly related to certain elements of the global marketing programme, such as products, pricing, promotion, global distribution channels etc.

Using secondary data and information sources has its disadvantages as well as advantages. The advantages include relatively rapid availability, lower research costs and relative accessibility of actually required information. The shortcomings of secondary sources are related to irrelevance of thus gathered information to specific research issues; the quantitative character of information and inability to ascertain the motives; imprecision, vagueness and dubious reliability of information acquired from unauthoritative sources. In any case, information available from secondary sources should not be ignored (Churchill, 1996, p. 192).

The gathered secondary data and information should be stored in one of the sub-systems of the global marketing information system, thus

providing a continued inflow, processing and analysis of information that can also be used for subsequent marketing research, while expanding the company's internal data and information base.

Global marketing research may see the occurrence of situations when very important information can be 'purchased' – the so-called off-the-shelf information. This information may figure as primary as well as secondary. Examples of such information include indexed overviews of conjuncture research, information panels of consumers, trade and industry, and omnibus research (Salai & Božidarević, 2009, p. 110).

In addition to secondary, global marketing research also uses primary data and information sources. Using primary sources mostly produces primary information, gathered by qualitative research and the application of appropriate unstructured personal communication techniques. Primary data and information sources may include current and potential consumers, established experts in the research subject area, global distributors, competing businesses etc. Depending on the comprehensiveness of primary research, respondent segments may include individuals and/or groups, but in practice, the most frequent method is using groups of 8 to 12 respondents.

### 3. Information Technologies and Global Marketing Management

The past two decades have seen the emergence of online computer research as the source of both secondary and primary data and information. This information is focussed on searching through available databases (Churchill, 1996, p. 205), which are today formed by numerous institutions, notably libraries, colleges, statistical bureaus, chambers of commerce, government agencies etc. A new and very appealing source of data and information is the Internet. It is a globally spread network, enabling its users to access information and documents from distant sources (Zikmund, 1997, p. 37). Essentially, it is an elaborate connection of a large number of individual computers based on TCP/IP protocols. In addition to individual computers, the Internet has also encompassed a number of pre-existing individual networks (such as NSFnet, EARN etc.) into a logically unified network, whose users are subject to the same addressing pattern.

The foundations of the Internet date back into 1960s, when American researchers initiated experimental connections between individual computers via telephone lines. It was followed by a

surge in the development of the Internet, ending in an exponential growth in the numbers of new users in the last decade of the 20<sup>th</sup> century. Some assessments show that the number of messages exchanged through this network is growing at a monthly rate of over 20 percent.

The significance of the Internet as the source of secondary and primary data and information is likely to grow in the future, especially in view of the wide range of opportunities it offers to its users. The following Internet services are especially interesting in global marketing research:

- e-mail;
- TELNET – the possibility of accessing other computers, databases, catalogues or services;
- WWW (World Wide Web), used for accessing Internet documents in a uniform way;
- IRC (Internet Relay Chat) – a program supporting real-time communication with other users.

As a rule, a company initiates global marketing research by using secondary data and information sources, so as to view the broader dimensions of the defined research subject, monitor and analyse uncontrolled variables, and then focus the research on a narrower area of the defined subject and gather primary information, which should result in high-quality information basis that will enable making appropriate business decisions in global marketing management.

### Conclusion

Conducting business operations on the contemporary global market means that corporations are constantly faced with a large number of risks, and the implementation of global marketing management should contribute to their comprehension and reduction to acceptable proportions. In other words, improved decision-making informational basis enables a business to respond more appropriately to current challenges in global business operations. This is why providing an informational basis should be regarded as the first stage in the conduct of global marketing management, as management decision-making is facilitated by the possession of adequate market information. Moreover, identifying gaps in the market in the form of market niches can be crucial, as this is where extra performance is most often achieved in global business.

Information global marketing management entails conducting a range of complex activities determined by the business conditions on the

contemporary global market, as well as the profile, attitudes and relationships of the chosen market setting. The complexity of the informational basis of the global marketing management is especially manifest in global comparative research, where the research subjects are characteristics of each target market. Marketing research significantly enhances information global marketing management, as they have the features of a process, and is conducted by following a logical sequence of exactly set stages.

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