

Marketing: Power Transfer Strategy and Creating Loyal Customers

Translated from Persian to English

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Abstract

In the current era, marketing has evolved beyond the simple process of selling to become a strategic and dynamic approach, a vital factor in business success. The main objective of marketing is to create value for customers and consequently transfer decision-making power gradually from customer to seller, ensuring customer needs are met in the best possible way. This article examines in depth the principles, objectives, and strategies of marketing, particularly in converting non-customers to customers. Through careful analysis of the distinctions between sales and marketing, strategic, competitive, and operational marketing objectives, and providing evidence-based practical solutions, this article helps businesses optimize their marketing strategies and achieve sustainable success through deeper understanding of consumer behavior and market dynamics.

Keywords: Marketing, Non-customer, Customer, Marketing Strategy, Customer Loyalty

Introduction

Marketing in today's world has evolved beyond a simple sales tool into a comprehensive, multifaceted process that plays a key role in business success. This process not only focuses on identifying customer needs and desires but also aims to create sustainable value and long-term relationships to develop loyal and profitable customers for organizations.

Marketing combines the art of creativity with the science of analysis, utilizing tools such as content marketing, digital marketing, advertising, and data analysis to reveal customers' hidden needs and create added value by offering suitable products and services. This process helps businesses achieve sustainable competitive advantage through effective customer interactions, building trust and loyalty, and ultimately converting non-customers into customers.

In the current era of rapid technological changes, shifting consumption patterns, and increasing competition in global markets, marketing plays a vital role in business success as a strategic and multidimensional approach. Marketing is no longer merely about selling products or services but is a comprehensive process for identifying, predicting, and meeting customer needs and desires in a profitable and sustainable manner.

In an era where data, technology, and customer experience have become key success factors, a deep understanding of marketing principles and implementing innovative strategies can determine the boundary between success and failure for an organization. This research aims to provide a comprehensive and practical framework to help managers and marketing specialists achieve sustainable competitive advantage in today's complex and changing business environment.

Problem Statement

In today's competitive world where businesses are changing and evolving at an unprecedented pace, marketing is no longer just a peripheral activity but a multifaceted process and comprehensive system playing a fundamental role in shaping relationships between businesses and customers. Marketing has evolved beyond sales and advertising through deep understanding of customer needs, creating unique value, and building trust and loyalty. However, many organizations still don't clearly distinguish between sales and marketing, leading to inefficient strategies and missed market opportunities.

In such conditions, marketing as a valuable strategic approach can identify and exploit hidden opportunities and serve as a supporting arm in the challenge of converting non-customers into loyal customers, one of the most complex issues businesses face. This research, using credible scientific sources and focusing on comprehensive

analysis, attempts to provide a practical framework for understanding marketing principles and implementing effective strategies in real environments. By combining theories and practical evidence, it offers solutions for converting non-customers into loyal customers and provides a deeper understanding of marketing strategies in the current era.

Research Importance and Necessity

Marketing combines the art of creativity and the science of analysis, with the main goal of deeply understanding consumers' needs, desires, and behaviors and creating sustainable value for them. It is a process through which companies interact with customers, build strong customer relationships, and create value for customers to receive value in return (Kotler & Armstrong, 2020).

In the current era of unprecedented competitive growth, marketing has become one of the main pillars of business success. The ability to accurately understand marketing principles and strategies can determine the boundary between success and failure of an organization and determine the progress or lack of progress of a business.

In such a competitive environment, managers and marketing specialists must understand the distinction between sales and marketing with a comprehensive, systematic, and scientific perspective, and use strategic marketing objectives to attract and retain customers. Additionally, designing innovative strategies to attract new customers and create long-term relationships with them has become an unavoidable necessity in the business world. This research, aiming to examine and analyze factors affecting effective marketing and its impact on business success, attempts to take an effective step toward reducing the gap between theory and practice in this field.

Research Methodology

The present research is applied in terms of purpose and follows a review-analytical approach in terms of methodology. This approach has enabled a comprehensive review of scientific and practical literature in marketing and analysis of effective strategies for converting non-customers into loyal customers. The research approach is qualitative, and data collection was conducted through library research using authoritative books on marketing and credible articles and reports. The data analysis method includes content analysis of sources, comparative analysis of different marketing perspectives, and practical synthesis and inference of findings.

Theoretical Foundations and Research Background

Basic Definitions and Concepts of Marketing

Marketing is defined as the process of identifying, predicting, and meeting customer needs and desires in a profitable manner (Kotler & Armstrong, 2020). This process includes all activities an organization undertakes to create, communicate, and deliver value to customers.

Background of Marketing Studies

Studies in marketing have evolved since the 1950s from focusing on product sales toward understanding customer needs and building long-term relationships. Kotler and Armstrong (2020) in their book "Principles of Marketing" provide a comprehensive framework for understanding and implementing marketing strategies. Additionally, Kumar and Reinartz (2018) in their book "Customer Relationship Management" address the importance of creating and maintaining long-term relationships with customers. Today, most markets face intense competition and supply exceeding demand, and in such conditions, retaining existing customers is presented as a strategic challenge. Therefore, marketing methods are increasingly moving away from transactional interactions toward creating long-term supportive relationships with customers. The reason for this change in approach is that in the past, marketing theories focused on attracting new customers and did not place much importance on retaining existing ones (Ghartasi & Ahmadi, 2017). Some researchers believe in marketing mix strategies. They discuss standardization versus adaptation. They believe that adapting marketing mix elements to the specific characteristics of international markets reduces uncertainty and psychological distance for foreign consumers and helps the firm perform better in such markets (Badkoubei & Esfidani, 2022).

Key Distinction Between Sales and Marketing

Understanding the fundamental differences between sales and marketing is essential for developing effective business strategies. While sales focuses on completing transactions and closing deals, marketing can be considered a broader process including creating value, identifying needs, and generating interest among customers. Some differences between sales and marketing, derived from various sources and practical experiences in this field, are presented in the following table:

Feature	Sales	Marketing	Source
Approach	Reactive: Customer seeks the product or service	Proactive: Seeks to find and attract customers	Kotler & Armstrong (2020)
Focus	Completing transactions, closing deals	Creating value, generating interest and need, providing valuable solutions	Journal of Marketing Research
Bargaining Power	Customers often have more power	Seller has more power in guiding the process using marketing strategies and tactics	Kumar & Reinartz (2018)
Costs	Usually less than marketing	Usually higher, but with long-term returns	McKinsey & Company (2023)
Ultimate Goal	Making an immediate sale	Building long-term relationships, maintaining customer loyalty, increasing market share	Harvard Business Review (2021)
Tools	Mainly negotiation, product presentation	Wide range of tools (advertising, content marketing, digital, social networks, etc.)	Godin (2018), McKinsey & Company (2023)

Multifaceted Marketing Objectives

Marketing objectives as a framework for success are divided into three main categories:

Strategic Objectives Include market survival and business development.

1. Market Survival: Ensures sustainability and persistence of the business in a changing competitive environment and requires adaptation to market changes, innovation, and risk management (Kotler & Armstrong, 2020).
2. Business Development: Can lead to increased scope of activity and revenue through market share expansion and innovation. This goal can be achieved through developing new products, entering new markets, or increasing penetration in existing markets (Journal of Business).

Competitive Objectives Include offensive and defensive goals.

1. Offensive Goal: Attacking competitors, capturing their market share, and overtaking competitors. This goal requires identifying competitors' weaknesses and offering more valuable propositions to customers (Porter, 1985).
2. Defensive Goal: Maintaining current market share, defending existing customers, and preventing competitor penetration. This goal requires maintaining product and service quality, providing excellent customer service, and building strong customer relationships.

Operational Objectives Include attracting new customers, retaining profitable customers, increasing customer loyalty, recovering lost customers, increasing market share, and converting non-customers into customers.

1. Attracting New Customers: Identifying and attracting potential customers through various marketing channels.
2. Retaining Profitable Customers: Focusing on retaining customers who are most profitable for the business (Kumar & Reinartz, 2018).
3. Increasing Customer Loyalty: Building strong and long-term relationships with customers.
4. Recovering Lost Customers: Efforts to regain customers who have been lost for any reason.
5. Increasing Market Share: Increasing the business's share of the competitive market.
6. Converting Non-Customers to Customers: Persuading non-buyers to purchase products or services.

Marketing Strategy and Tactics

Effective marketing requires combining strategies and operational tactics for an integrated approach.

Marketing Strategy Includes long-term planning to achieve strategic objectives. These strategies are formed based on careful market analysis, identifying customer needs, evaluating competitors, and determining the business's position in the market. Marketing strategies can include market segmentation, target market determination, product positioning, and development of the marketing mix (product, price, place, and promotion).

Marketing Tactics These are practical and operational methods for implementing strategies and achieving operational objectives. In fact, tactics are the operational tools of marketing strategies. Tactics include advertising, content marketing, digital marketing, search engine optimization (SEO), social media marketing, email marketing, public relations, and improving customer communication channels.

Converting Non-Customers to Customers

One of the fundamental challenges in marketing is converting non-customers into customers, which requires careful analysis of reasons for not purchasing and providing solutions tailored to their needs and desires. Solutions include increasing interest and need for the product, improving access to services, convincing customers to pay, and encouraging faster purchases.

1. **Increasing Interest and Need for Product or Service**
 - Creating Awareness: Using targeted advertising (Godin, 2018) and content marketing to create awareness of the product or service in the minds of audiences.
 - Educational Content: Providing valuable educational content to demonstrate product or service benefits and reveal customers' hidden needs (Pulizzi, 2014).
 - Content Marketing: Producing and distributing engaging content relevant to customer needs through social media, blogs, and other communication channels.
2. **Increasing Access to Product or Service**
 - Expanding Distribution Channels: Creating diverse distribution channels (physical stores, online stores, agencies) to facilitate customer access.
 - Providing Online Services: Simplifying the purchasing process and providing after-sales services through online services.
 - Improving User Experience: Ensuring the purchasing process is easy and enjoyable.
3. **Convincing Customers to Pay**
 - Offering Special Deals: Providing discounts, valuable packages, and special offers (Kotler & Armstrong, 2020).
 - Demonstrating Added Value: Emphasizing the added value of the product or service, such as quality, after-sales services, warranty.
 - Providing Various Payment Options: Enabling payment through different methods.
4. **Encouraging Faster Purchases**
 - Creating Urgency: Using time-limited offers and attractive advertising campaigns.
 - Launching Attractive Advertising Campaigns: Creating creative and targeted campaigns (Harvard Business Review, 2021).
 - Using Social Proof: Showing positive reviews from previous customers to increase trust.

Key Points for Marketing Success

For sustainable success in marketing, businesses must have a data-driven and customer-oriented approach. To achieve this approach, attention to the following points can be beneficial:

1. **Data Analysis** Using data analysis to understand customer behavior, identify purchasing patterns, and evaluate the effectiveness of marketing strategies. This helps businesses make data-driven decisions and optimize their strategies (Journal of Marketing Research, 2022).
2. **Customer Experience** Providing a positive and memorable experience to customers, which not only leads to customer retention but can also help attract new customers through positive recommendations and online feedback. This includes personalizing interactions, providing fast and efficient services, and effectively solving customer problems.
3. **Innovation** Given rapid changes in market and technology, businesses must continuously innovate in their products, services, and marketing strategies and keep pace with new trends (McKinsey & Company, 2023). The general principles related to this topic are described in detail in studies on open innovation (Chesbrough, 2003).
4. **Responsible Marketing** Considering ethical and social issues in marketing activities, including respecting customer privacy, providing accurate and transparent information, and paying attention to the environmental impacts of products and services (Sustainable Marketing Journal, 2020).
5. **Personalization** Providing personalized offers and experiences to customers based on their needs, preferences, and behaviors. This can increase customer loyalty and improve conversion rates (Kumar & Reinartz, 2018).
6. **Attention to Customer Emotions** Understanding and paying attention to customer emotions in the marketing process can have a significant impact on creating long-term relationships and loyalty (Harvard Business Review, 2021).

Conclusion

Marketing is a vital tool in business and a dynamic, complex process that requires deep understanding of customers, the market, and competitors. By adopting a strategic, tactical, and data-driven approach, businesses can transfer power from customer to seller, build long-term relationships with customers, and achieve sustainable success. Designing successful strategies to convert non-customers into customers, focusing on data analysis, innovation, and attention to customer feelings and needs, is an important challenge in marketing that can be achieved by providing appropriate solutions and creating value for customers. This research examined the fundamental differences between sales and marketing, strategic, competitive, and operational marketing objectives, and effective strategies and tactics for converting non-customers into customers. Additionally, key points for success in marketing were presented, emphasizing data-driven and customer-oriented approaches.

Suggestions for Future Research

Given the rapid developments in marketing and the emergence of new technologies, it is suggested that future research focus on artificial intelligence and marketing, the impact of emerging technologies on digital marketing, examining the impact of responsible marketing on customer loyalty, and studying the role of data-driven marketing in predicting customer behavior.

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