

Book Reviews

**Arnold, S./Chadraba, P./Springer, R. (eds.) (2001):
Marketing strategies for Central and Eastern Europe,
Ashgate**

In countries with a strong market economy, a particular interest is shown towards researching the status of marketing practice in companies. The first studies of this kind were made in USA and Great Britain in the early 80's of the past century (McDaniel, S.W./Hise, R.T. (eds.) (1983): Have CEO's adopted the marketing concept? In: Varadarajan P.: The Marketing Concept: Perspectives and Viewpoints, Texas A&M University, Texas; Varadarajan, P. (1983): The Marketing Concept: Perspectives and Viewpoints, Proceedings of Workshops, Texas A&M University, Texas; Hooley G.J./West, C.J./Lynch, J.E. (eds.): Marketing in the UK: A Survey of Current Practice and Performance, Institute of Marketing, 1984; Piercy N., The corporate environment for marketing management, Marketing Intelligence and Planning, vol. 3, nr. 1, 1985, pp. 23-40; Baker, M.J./Hart, S.J./Black, C.D./Abdel-Mohsen, T. (eds.) (1986): The contribution of marketing to competitive success: A literature review, Journal of Marketing Management, vol. 2., nr. 1., pp. 31-61; Doyle, P. (1987): Marketing and the British Chief executive, Journal of Marketing Management, vol. 3, nr. 2, pp. 121-132; Doyle, P./ Saunders J./Wright L. (eds.) (1988): A comparative investigation of US and Japanese marketing strategies in the British market, International Journal of Research and Marketing, vol. 5, nr. 3, 1988, pp. 171-184). This "first wave" of researching has come to two main conclusions: 1. The competent implementation of marketing techniques is difficult; 2. The marketing oriented companies have higher performances in comparison with the ones that neglect the principles of this concept. These conclusions have justified the attention that needs to be given to researching the companies marketing orientation.

The "second wave" of studies on this matter (the 90's of the past century) has reconfirmed the crucial role of marketing in the success of any business (Linch, J.G./Hooley, G.J./Shepherd J. (eds.) (1990): The marketing concept: putting the theory into the practice, European Journal of Marketing, vol. 24, nr. 3, pp. 7-23; Marver, J.C./Slater, S.F. (eds.) (1990): The effect of a market orientation on business profitability, Journal of Marketing, vol. 54, nr. 4, pp. 20-35; Shaw, V./Doyle, P. (eds.) (1991): Marketing strategies and organizational characteristics of British and German companies - preliminary findings of a study of the machine tool industry, Marketing Education Group Proceedings, Cardiff Business School, pp. 1011-1030; Lin, H./Wensley, R. (eds.) (1991): Markets, marketing and marketing behaviour - an empirical examination in Britania and China, European Marketing Academy Conference Proceedings, University

College Dublin, pp. 844-863; Lin, H./Wensley R./Whittington R. (eds.) (1991): Market effect, control effect, and market orientation, Marketing Education Group Proceedings, Cardiff Business School, pp. 626-635; Avlanitis, G.J./Konremenos, A./Gounaris, S.P. (eds.) (1992): Company performance: Does marketing orientation matter?, European Marketing Academy Proceedings, Aarhus, pp. 83-94; Wink N. (1992): Historical perspective in marketing management explicating experience, *Journal of Marketing Management*, vol. 8, nr. 3, 1992, pp. 219-237; Jaworski, B.J./Kohli, A.K. (eds.) (1993): Market orientation: Antecedents and consequences, *Journal of Marketing*, vol. 57, 1993, pp. 53-70; McDonald, M. (1996): *Strategic Marketing Planning*, Kogan Page Ltd, England)

One of the main conclusions of the 90's studies is that in no other field the gap between theory and practice is deeper than in marketing. Some studies shown that over 50% of the European, American and Australian companies do not use the basic principles of marketing.

In Central and Eastern European countries the studies about the role of marketing in the market success are quite recent (Ennew, C.J./Filatotcher, J./Wright, M./Trevor W. (eds.) (1993): Constraints on the Adaption of the Marketing Concept. The Case of the Former Soviet Union, *European Journal of Marketing*, vol. 27, nr. 11/12, pp. 21-34; Marinov, M./Cox, T./Avlonitis G./Konremenos T. (eds.) (1993): Marketing in Bulgaria, *European Journal of Marketing*, vol. 27, nr. 11/12, pp. 35-46; Shipley, D./Fonfara K. (eds.) (1993): Organization for Marketing Among Polish Companies, *European Journal of Marketing*, vol. 27, nr. 11/12, pp. 63-79; Hooley, G./Beracs, J./Koloz, K. (eds.) (1993): Marketing Strategy Typologies in Hungary, *European Journal of Marketing*, vol. 27, nr. 11/12, pp. 80-101; Akimova, I. (1997): Marketing Approaches and Organization for Marketing in Ukraine, *Journal of East European Management Studies*, vol. 2, nr. 3, pp. 237-258; Tomasevic, M.L. (1998): Do Croatian Banks Implement Marketing Concept?, *Zagreb International Review of Economics & Business*, vol. 1, nr. 1, pp. 109-126). Their first finding is that the level of the practical adoption of the marketing concept in these countries is very low. The market orientation is more a verbal fashion than a managerial behavior. But the most important gain is that the managers from these countries are interested in the manner in which their companies could implement the marketing strategies in order to face the defiance of the European integration. The integration transforms the national and regional markets in niches of the unique European market. On one hand it requires the restructuring and re-evaluation of the way in which the organizations implement marketing, and on the other hand it imposes the reexamination of the ways through which marketing can be integrated on a large scale, as a successful business philosophy.

The book *Marketing Strategies for Central and Eastern Europe* edited by Stewart Arnold, Petr Chadraba and Reiner Springer is a major contribution to understanding the characteristics and perspectives of marketing in Central and Eastern Europe. It fills a space in this field, still very little examined. In fact this book is a collection of 15 research papers presented at the 6th Annual Conference on Marketing Strategies for Central & Eastern Europe which took place in Wien, in December 1998, organized by Wirtschaftsuniversität Wien and De Paul University, Chicago.

How to make a review of a book written by 24 contributors from 10 countries, which made researches on a wide topic? Being a collective paper, this book cannot be reviewed based on a scientific reference frame, but only on a formal logic basis restricted to its structure on parts and chapters.

The Introduction signed by the 3 editors is not mainly a picture of the papers published in the book, but an excellent presentation of the realities and perspectives of marketing in Central and Eastern Europe. The publishers catch the following changes in the marketing environment from this area of the world:

The economic transition from the sellers' market to the buyers' market leading to a dramatic decline of production in all fields

Consumers transition from a relatively rational buying behavior to one rather emotional with major implications on peoples' attitude towards indigene products and imported ones

The increasing the advertising role in the global marketing strategy; there is a transition process from the advertisement as amusement to the advertisement as a support for buying decision

The brand plays a more and more important role in the companies' marketing strategies, under the circumstance of market flooded with unknown products

The transition from the restricted competition based on cost to an authentic competition based on customer

Foreign capital is changing its investment strategy: from buying investment to greenfield investment

Managers begin to realize that marketing is not only an instrumental problem (abilities, methods, and techniques) but also a thinking mode, a business behavior based on the concern for the customer.

The conclusion of the editors is that transition is a learning process, which takes time and wish of change in individuals, companies and society. It will get to the end when the level of technological and economic development, the population income and the consumption patterns will come close to the standards of the industrialized Western countries.

The book is structured in four parts, which, by the fifteen papers written in 10 countries, try to answer the following questions:

How can one enter the Central and East European market?

What marketing strategies do the companies from this region use?

How does the consumer behave in the area?

What are the marketing characteristics in small and medium enterprises?

Market entry strategies

As a rule, the Western investors have been attracted by the Eastern countries with a friendly business climate, reduced political and economical risk, low costs and taxes and liberal trade laws, as in Estonia (Miljan, M./Sörg, M.: Working Strategies of a Small Transition Economy in Attracting Foreign Direct Investment: The Estonian Case). Despite the expectations there is no pattern for Western investments in Central and Eastern Europe not even in the case of investors from the same cultural cluster as those from the Northern Countries (Jorma Larimo, Foreign Direct Investment Behavior of Nordic Firms in Central and Eastern Europe). In order to reduce the economic risk, the decline of the companies' value and turnover, some of the direct investors use the new derivative instruments, demanding and negotiating insurance for their investments (Leitinger, R.: Risk Management for Foreign Direct Investments in Eastern Europe With New Derivative Instruments). Anyway, regardless the risk assumed by the Western investors, Central and Eastern Europe was and still is a large area of business opportunities. The analysis of opportunities is the key for formulating the market entry strategies for this region. For example the fact that Russia, through the prices liberalization, became dependent on imports in general, mostly of agricultural products and food, had offered great opportunities to Western companies (Helanterä, A./Salmi, A.: Russian Food Markets).

Marketing strategies in Central and Eastern Europe

Inherently, the business environment from Central and Eastern Europe is very dynamic. It is perceived in specific ways in different cultural areas. For example, the managers from a sample of 20 major companies from Romania see in the environment, mainly dangers, being concerned in the first place by the competition and economic factors, and less of other components of the business environment (Veghes, C.: The External Marketing Environmental as Perceived by Romanian Managers). In Russia, the marketing strategies are strongly influenced by inherited problems (unsuited managerial culture with the market economy, monopoly type regional markets, unrealistic prices, the enhanced orientation towards production, etc.) and current problems (of infrastructure: capital market, banking systems, etc.) (Tlusty-Sheen, A.: Current Problems in

Marketing Strategies Formulation at the Firm Level in Russia). In the Baltic Countries an important role in the general marketing strategy comes to advertisement, but its development confronts powerful barriers such as: small dimensions of the 3 Baltic Countries, consumer behavior determined by the purchasing power, the uncertainty of the Russian market, etc. In Poland the demographic potential led to a very accelerated development and dynamics of the retail trade. The Western store chains found here large market opportunities, which made the specialists speak about the internationalization of retailing in this country (Dawson, J./Henley, J: Internationalization of Retailing in Poland: The Economics of Scarcity).

Consumer behavior

The transition has generated new consumption patterns and life styles in Central and Eastern Europe. In Hungary the map of the life style indicates the existence of many social groups: “survivors” (34%), “inner-oriented” (20%), “optimistic middle class” (18%), “achievers” (13%), “desillusioned new generation” (11%) and “happy individualists” (8%) (Gergatz, I./Töröcsik, M.: Life Style Based on Consumption Paterns in Hungary).

In Poland it has been found that 18 years old teenagers are already a consumer generation. They prefer well-known brands and are very interested in clothes and electronics (Gornik-Durose, M.: Consumption Preferences Amongst Polish Teenagers). It seems that in this country consumers are more sensitive to products whose advertisement is based on scarcity, which is more efficient than the one based on social proof and authority (Pietras, M.: Factors Influencing Polish Consumers, Reactions to the Advertised Product). Such discoveries are very precious for the marketers, as much as the marketing research in Central and Eastern Europe are quite difficult. For example in Ukraine a telephonic survey, meant to discover the consumer needs, faced many cultural, educational and operators’ training problems, etc.

Marketing and SMEs in Central and Eastern Europe

The wrong opinion of marketing being a business philosophy for big organizations is quite spread. The fact is that SMEs cannot survive and develop without a marketing orientation, because they face much stronger competition than big enterprises. It is not by chance that in Central and Eastern Europe an important trend of implementing the concept of marketing in SMEs is present.

In Poland this trend is for the moment more intuitive than rational (Ciurla, M./Nowak, M.: The Marketing Orientation of Polish SMEs). In Slovenia researchers have even discovered a Slovenian concept of marketing in SMEs, directly applicable in craft businesses, businesses in which the majority of enterprises are focused on the product concept (Rojsek, I./Podobnik, D.: Marketing craft businesses: The Slovenian case). The researchers from

Lithuania say that preparing of a proper marketing strategy is the main goal of management in most of the companies. That is why in this country there is a constant concern of researchers to examine theoretical, methodological and practical aspects of the elaboration of a marketing strategy (Virviloite, R./Sliburyte, L.: Preparation of a Marketing Strategy in an Industrial Company).

In conclusion, the book we are reviewing is a publishing event, which through the importance and topical interest, brings a valuable contribution to the European marketing literature. It is a book for professionals, researchers and academia interested in evaluating marketing in this area, which in the near future will be a very important part of the European Union.

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Müller, B./Wiechmann, T./Scholl, W./Bachmann, T./Habisch, A. (eds.): Kommunikation in regionalen Innovationsnetzwerken

Das Buch entstand im Rahmen der Begleitforschung zum InnoRegio-Wettbewerb des BMBF und folgte dem Band von Baitsch, C./Müller, B. (Hrsg.) Moderation in regionalen Netzwerken (siehe JEEMS 7(2), 2002). Das Vorhaben wurde vom Institut für ökologische Raumentwicklung in Dresden in Kooperation mit artop e.V., Berlin, sowie dem Center for Corporate Citizenship an der Katholischen Universität Eichstätt durchgeführt. Ziel der Studie ist, empirisch zu klären wie Kommunikation in regionalen Netzwerken funktioniert und Innovationen gefördert werden können. Als Datenmaterial dienten teilnehmende Beobachtungen von 242 Netzwerksitzungen und 200 qualitative Interviews in 25 Netzwerken. Der Band beginnt mit einer „Managementfassung“ mit den wichtigsten Ergebnissen. Die beiden folgenden Kapitel 1 und 2 der 7 Kapitel beschäftigen sich mit den konzeptuellen Grundlagen der Kommunikation in regionalen Innovationsnetzen. Innovation entsteht im regionalen Kontext im Zusammenspiel verschiedener Akteure.

Dabei sind kollektive, regionale Lern- und Austauschprozesse von entscheidender Bedeutung. Daraus leiten die Autoren zwei Fragestellung ab: „Wie funktioniert Kommunikation in InnoRegio-Netzwerken?“ und „Welche Erfolgs- und Misserfolgskriterien der Kommunikation in regionalen Netzwerken lassen sich identifizieren?“ Als Zielsysteme werden die Region, das Netzwerk und die InnoRegio-Förderung benannt und, neben anderen zentralen Begriffen wie Kommunikation, Kooperation und Sozialkapital, definiert.