

Direct marketing for the implementation of the concept of sustainable development

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Abstract. Direct marketing is one of the most significant and effective strategies in terms of attracting a target audience interested in specific services or products. The essence of this type of marketing is that there is no need to involve specialists in intermediary services, and it is aimed only at its target group of customers. In the implementation of direct marketing, special attention is paid to the marketing information system and marketing research. It is appropriate to note that marketing, as an economic and social category, develops on the basis of continuous changes in technology, supply and demand, which predetermines the adaptability, and not at all the sustainability of the new marketing concept. A marketing information system involves the systematic collection, analysis, interpretation, and communication of market information within an organization. It collects data from both internal and external sources of the organization. All important marketing activities such as price, new product development, packaging, distribution, promotion, media, etc. depends on the information provided by that system. The availability of quality information helps organizations make more informed market decisions. Wrong decisions regarding market operations will have a negative impact on the business and hinder its survival.

1 Introduction

Direct marketing refers to a type of marketing campaign in which companies directly target a specific group of potential customers to convey information. It is defined as a promotion method in which information about a company's

product and services is presented to the target audience without the involvement of any advertising intermediaries [1]. Marketing research is the process of analyzing and conducting market research in order to understand market trends. This includes the proper collection, analysis and interpretation of information about market conditions. Marketing research is mainly conducted to identify changes in customer preferences and behavior resulting from changes in the elements of the market structure, namely: promotion, place, price and product [2]. It can be defined as a mechanism that helps connect consumers, manufacturers and a few

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other end users to the merchant and also helps in finding and communicating all the necessary information.

2 Research methodology

Direct marketing is a targeted form of marketing that focuses on communicating information of potential interest to a group of customers identified as likely buyers. Direct marketing is aimed at achieving certain actions among the target group of customers, such as placing an order, visiting a website, registering for a trial, or requesting information about a company's products [3-4].

There are many direct marketing formats that are used to convey information by a marketer, such as direct mail, telemarketing, SMS marketing, newspapers, personal marketing, coupons/vouchers, postcards, and webinars. Email marketing is a widely used direct marketing method by companies. The direct marketing method is different from the indirect marketing method. The key motive of direct marketing is to get a customer to buy a product or service, while indirect marketing takes a more passive approach. Indirect marketing aims to increase brand awareness and create a loyal audience that will continue to buy from a company for a longer period of time.

Various types of direct marketing [5]:

Email marketing. It's the easiest, most affordable, and measurable way to connect with customers. Companies use email marketing as a tool to send promotional messages about their products and services directly to a specific group of customers. Transactional emails, promotional emails, newsletters, and add-ons to business emails are some of the examples of effective email marketing strategies.

Internet marketing. Web marketing is a type of direct marketing where notifications are shown to customers as they browse the internet. Messages are displayed as notifications on a small rectangular area of the mobile phone or laptop screen through the browser that the client is using [6]. These web push notifications help marketers connect with subscribers individually without requiring an address or any other customer details. The information stored in the subscriber's browser is used to identify them.

Mobile marketing. Mobile marketing involves sending individual advertising content to users on their mobile devices. Mobile marketing is launched by marketers to inform customers about the best offers and sales, as well as to keep them updated on the order status on a regular basis.

Messenger marketing. The messenger marketing approach is carried out promotions and marketing by creating a chatbot for various messaging applications such as WhatsApp and Telegram. This allows businesses to continue answering customer questions every day on auto-pilot, making it easy to place an order directly from the messenger and learn more about the brand.

The list of types of direct marketing does not end here, there are other types of direct marketing that businesses can use [7]:

Social media. Social media is widely used by companies to promote and expand their audience. It also helps companies get feedback on their products in the form of comments.

Direct sales. Direct selling involves sending emails with promotional messages about a brand, product, and services. It consists of postcards, catalogs and postal envelopes.

Telemarketing. The telemarketing approach of direct marketing involves making phone calls to potential customers in an attempt to sell a particular product or service. It is seen as an effective tool for finding leads and tracking marketing campaigns.

Components of direct marketing [8-9].

Every successful direct marketing consists of four key components, namely [10]:

Contact database. The contact database is a very important component of direct marketing, without which marketing is literally impossible. This is a set of records containing information about customers, both potential and existing.

Companies with a high-quality contact database are able to communicate with a large number of customers at the same time at the same time, with each client individually.

Special offer. An offer is a deal offered by companies to attract customers, including a low price, an exclusive bonus, or maybe the opportunity to try a product for free for a limited period of time. The offer of the companies is the essence of every interaction with their target group of customers. Therefore, they should make every possible effort to make their offers as unique and attractive as possible.

Creative approach [11]. The creative component of direct marketing aims to make offers as attractive as possible in order to evoke emotions in customers that will lead to the desired response. Despite the fact that this component does not occupy such a high place as a database or an offer, it should not be neglected either. With a high-quality database and a decent offer, a good creative will greatly increase your response rate. Simply put, the text content and layout of the offer is what is called creative.

Communication method. These are the media components of direct marketing, the one who is responsible for deciding how the key idea of the offer will be communicated to the target segment. There are various ways to convey a message to customers, such as verbally, in writing, or visually.

3 Results and Discussions

Direct marketing does not focus on a large group of customers, unlike indirect marketing. Efforts are required to connect only with potential audiences and certain groups according to their purchasing behavior and interests. Direct contact with the target audience increases the chances of a successful marketing campaign. The more targeted a company's campaign is, the more successful it is likely to be [12].

The absence of intermediaries.

Direct marketing follows a strategy where companies interact directly with customers and promote their products. This removes the role of all intermediaries and intermediaries such as dealers, wholesalers, distributors, retailers, etc. from the entire selling process. Goods and services are sold directly to end consumers. All this helps to save commissions of intermediaries and shortens the sales process.

Increasing profitability.

This form of marketing increases the profitability of companies by avoiding high marketing and advertising costs. Direct marketing eliminates the role of intermediaries and thus saves high commission costs [13]. In addition, companies need to run less publicity and advertising, which again saves a huge amount of money. Thus, all these cost-saving measures lead to an increase in the profitability of the firm.

Effective personal interaction.

Direct marketing promotes personal interaction between seller and buyer. This allows you to collect information and feedback that helps companies get an accurate picture of the strengths and weaknesses of their campaigns. Thus, it allows them to take the appropriate steps necessary to improve their overall performance [14].

Increasing customer loyalty.

It helps firms increase customer loyalty through a more personalized experience and direct interaction with customers. A better personal connection between customers and the company ultimately helps increase customer loyalty.

High accuracy.

Direct marketing is a more accurate marketing tool than other methods. This helps you know the effectiveness of your direct marketing campaigns when you have the right metrics and KPIs.

Availability.

It is a fairly effective method of marketing and advertising compared to indirect marketing, which involves a large number of intermediaries, resulting in huge costs for companies [15]. The company establishes a direct relationship with customers through e-mail, the Internet, telemarketing, etc. All this ultimately saves marketing costs by reducing advertising and promotion costs.

More accurate performance measurement.

This form of marketing immediately provides accurate feedback to the seller or marketer. Thus, it helps to measure the effectiveness of a marketing campaign in real time by analyzing the results and feedback [16].

Direct marketing campaigns help in providing consumers with detailed information about the product and services. Companies use direct marketing campaigns to present targeted sales opportunities in a way that makes people think about the value proposition they offer. Clients get access to all the information they need to make meaningful decisions in a convenient environment, such as in the office or at home.

Suitability.

It is more suitable for newly established or small companies with a limited number of products. Indirect marketing includes large marketing campaigns that target a large number of people and require huge amounts of money. A small business has a capital constraint and therefore cannot afford the costs associated with large marketing and advertising campaigns. In addition, it is beneficial for all those groups of people who do not have enough time to visit retail stores for the purpose of shopping.

The disadvantages of direct marketing are as follows [17]:

Not suitable for all types of business.

Direct marketing is not suitable for targeting a large group of customers, but only helps in targeting a specific group. Also not suitable for large enterprises with high brand value with a huge range of products/services.

Low response.

Various marketing studies have proven that direct marketing has lower conversion rates compared to other forms of marketing campaigns [14]. Identifying potential customers and collecting personal data is a rather difficult task. In case the collected data is not accurate enough, the customer response rate becomes low and the campaign cannot be carried out properly.

Annoying and intrusive campaign.

Many people find direct marketing to be an annoying and intrusive campaign because they get annoyed by the unwanted phone calls and emails that marketers regularly receive. Customers may even dislike this marketing strategy over time. When people find a company's marketing strategy annoying, it can create a negative brand association for them.

Expenses.

This comes with a few fixed costs as direct mail requires a mail system to send. It is also necessary to develop a postal item, which, again, requires additional costs. A ROI analysis should be carried out in order to find out if direct mail is possible for the company.

Requires a lot of time [16].

Direct marketing is quite a labor intensive process if personalized messages are created for everyone on the marketing list. While this can be an effective strategy for a company to implement, involving hundreds of emails and thousands of phone calls, it ultimately helps build trust among the target audience.

Aimed at a lot of uninterested people.

Many times a business ends up sending direct marketing emails to a group of people who are not interested in what is actually on offer at all. These types of emails are called spam and when they get to the inbox they are called spam. From the company's budget, it's just a waste of money.

Search for sales opportunities through acquaintances.

Direct marketing for many new businesses means marketing to their friends, family and relatives. All current clients of the company are also included in this mix. There is a belief that all these people will become brand ambassadors for the company. But in fact, constant communication with key people in many cases can be inconvenient for the company.

Marketing research helps an organization understand customer behavior [7-8]. It conducts research and collects data such as age, gender, income, likes, dislikes, etc. related to clients. All this data provided to the organization helps them in developing the right product that will meet their needs. Marketing research helps organizations understand the needs and desires of consumers and thereby formulate their production policies accordingly.

Find important information.

The effective decision making of any organization depends entirely on the quality of the information it has. Market research provides the management team with all the important information about the market. This allows the organization to keep abreast of market factors such as demand, supply, competition, technological change, consumer behavior, etc. All this information is vital for making strategic decisions. Managers develop all their organizational policies in accordance with the data obtained as a result of market research.

Predict sales.

Marketing research supports business activity by predicting sales using various methods. Creating and maintaining an optimal inventory level in an organization is a complex task for every product manager. Producing goods according to demand helps reduce risk and increase profits. Overproduction and underproduction of goods adversely affects business. Marketing research forecasts sales using the sales estimation method, sales method, jury method, etc. and provide information to the organization. This helps to shape the production policy accordingly.

Goals of marketing research:

Determining the needs and expectations of customers.

Marketing research helps businesses understand the needs and desires of customers. Knowing exactly what customers want is essential in order to deliver products that meet their expectations. Marketing research involves reaching out to and interacting with customers to understand their requirements. This helps in developing the right product according to the customer's requirements.

Minimization of marketing costs.

The marketing research process monitors and controls all marketing programs. He performs proper analysis and market research before formulating various marketing policies. This helps in choosing effective means of advertising and distribution of goods to reduce marketing costs. Marketing strategies used by competitors are also analyzed as part of this process to develop the best marketing plans.

Creation of a proper pricing policy [9].

Determining the right price is an important decision for every business organization. The pricing policy should be such that it does not negatively affect either customers or the organization itself. Market research Conduct research on the pricing policies adopted by several other competitors in the market. It collects a significant amount of information about what competitors charge as well as what customers are willing to pay. All this helps in determining the optimal prices for various products.

Finding target markets and new opportunities.

Identifying potential customers and new opportunities is essential to capturing the market. Marketing research explores a wide and expansive market and identifies opportunities for new products by recognizing unmet customer needs [10-11].

He finds and collects information about new areas where his products can be sold. Various information about the inhabitants of the area, such as their tastes and preferences, purchasing power, culture and traditions, is collected and analyzed specifically for this area.

Market research helps companies identify flaws in their products. Timely identification and elimination of shortcomings in the company's products is essential for maintaining its image in the market. The marketing research process involves interacting with customers and taking their valuable feedback and suggestions.

These customer suggestions and feedback help customers improve the quality of their products. Market research also informs the business of any technological changes in the market in order to make appropriate changes in a timely manner [8].

Marketing research allows businesses to study and introduce their new products to the market. This allows at the initial stage to test new products in small or local markets and study the reaction of consumers to this. It helps the business understand the flaws and problems in their product. Accordingly, they can overcome these challenges and develop an effective marketing mix for their product. All this helps to minimize the risk associated with the launch of a new product.

4 Conclusions

Thus, direct marketing, implemented with the help of a marketing information system, plays an important role in improving management efficiency. The quality of information available to managers affects their ability to make decisions. Direct marketing collects data from both internal and external sources of an organization and provides it to managers on a regular basis.

Management has a clear understanding of what is happening within the organization and can check if this is in line with market requirements. They can take all the necessary steps as needed to make the appropriate changes. By keeping systematic internal records, managers can easily ensure that the optimal amount of necessary resources is always maintained to avoid any crisis in the organization.

Marketing research plays an important role in the study of consumer behavior. It is a very effective tool for marketers to understand market trends, which mainly consists of information regarding new product launches, consumer demand trends, competitor pricing strategy, and available close substitutes for the product. Market research companies can easily determine what their customers want, which helps in the development of the products they use to maintain a competitive edge over other competitors in the market. It helps define the target market and interacts directly with potential customers to get valuable feedback and suggestions. All this information obtained during this process ensures the smooth functioning of the marketing process.

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