

BUSINESS SYSTEMATICITY THROUGH THE SYSTEMATICITY OF MARKETING COMMUNICATIONS

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Summary

The key objective of this article is to emphasize the importance of perceiving business communications through the prism of the systematic nature of the business itself. The article aims to address several issues. The first is the issue of the components of the systematic nature of business: marketing communications, the marketing system itself, and related systems that strengthen the business. The second is to reflect the graduate student's work in terms of testing marketing communications tools in both verbal and non-verbal aspects. The third is to expand the meaning of the systematic nature of marketing as a "pillar" of business sustainability. Methods used in the formation of the material: theoretical modeling method and systemic approach, empirical method.

Key words: business, marketing, systematicity, marketing tools, information, management.

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1. Introduction

Let's consider the business structure as a system of complementary elements. Each department (system) has its own order of interactions both internally and externally. If we consider the structure of the classic format, which includes senior management (or CEO), top management and line management, we immediately understand that relationships are most often built organically, depending on the purpose of the final product. Therefore, processes are individually established and declared at both the external and internal levels of each system. These processes are the basis of the company's future communication manifestations. Since there is an opinion in companies that without building internal HR, it is impossible to build external (when interacting with customers). In the management system, this is called internal and external reference. In the following paragraphs, we will consider the factors of systematicity, when it is worth introducing systematicity in marketing and with the help of effective tools.

2. What constitutes the foundation of business systematicity?

The systems theory of management reveals the importance of the systematic nature of business as a set of components that are interdependent, and the organization is a single whole: "The systems theory of management asserts that any organization is a single, unified system of interrelated parts or subsystems" (*Morgan & Rana, 2015*). This statement is based on a thesis that reveals the essence of not only the business system, but also management. The interdependence of such elements of business as finance, human resource management, sales and marketing has long been proven. Without the clear functioning of one of the elements, the business structure suffers and the final product in the form of income, operating profit or profitability is not achieved. Often, entrepreneurs think in one or two categories of

the system and wonder why the business does not bring the desired results. Since this article aims to reveal the topic of the systematic nature of marketing processes and tools that influence the final decision of the buyer, we will talk about this. Marketing in Ukraine is flexible, creative, compiled (one that accumulates the best examples of the international arena), but not systemic. Practical testing of the postgraduate student's developments in terms of marketing tools from the point of view of their effectiveness for business leads to one simple conclusion: the chaotic application of tools and approaches to marketing systems will not yield results for Ukrainian business for a long time. The reason lies in the lack of knowledge and the opportunity to test approaches in general. For someone (microbusiness) this is a complicated story due to the lack of a complete understanding of how a marketing system should function, for small business – this is impossible due to the lack of funds for testing hypotheses and approaches. Medium-sized businesses, with revenue of 5 million hryvnias per month, can allow for partial implementation of systemic approaches to building marketing and communication tools. Large businesses most often turn to international consulting practices BCG (Boston Consulting Group), Deloitte, etc.

What should micro and small businesses do in this situation? After all, the key to growth is precisely in the proper functioning of a single system (the components listed above). Most often, entrepreneurs either take on the lion's share of operational tasks and thus compensate for knowledge through practice, building the system themselves, turn to one-time consultations with narrow-profile experts (on building finances or sales), or simply ignore existing signs of problems. Another important factor that complicates the construction of marketing systems is the total absence of specialized experts. Most often, they are brand strategists, marketing strategists or marketing operations specialists who solve problems here and now.

What should an entrepreneur pay attention to when building a marketing system?

What goals does the business set for itself in the near future?

What stage of the company's development life cycle is it currently experiencing?

According to the methodology of Yitzhak Adizes (*Adizes, 2004*), there are several of them:

Courting: The emergence of a business idea and belief in its viability.

Early childhood: The founding of the company, the emergence of the first obligations and the start of production, with difficulties in management.

Active growth: High demand, exceeding the company's capabilities, and dependence on the manager.

Youth: Transition from sales growth to increased efficiency.

Flourishing: Achieving a balance between flexibility and control.

Stability: Stable profitability without necessarily increasing sales.

Decline: Loss of connection with the requirements of the outside world, the beginning of aging.

Aristocracy: The management apparatus suppresses innovative potential.

“Witch hunt”: Obvious loss of positions and the search for the guilty.

Bureaucracy: The application of strict control measures, inertia of processes, dependence on outside help.

Death: The end of the company's life cycle.

Often, companies face anomalous problems at a certain stage. For example, in “Early Childhood” the company wants to systematize processes as much as possible without setting up sales or production, or in “Healing” the company owner lets go of the main management processes of the strategic level and thereby “kills” revenue, since it may still be unstable.

The key conclusion in this issue is that business systematization can and should be addressed when the business has stabilized, receives income that covers operating expenses and is ready for external injections. This is the "Youth" stage (*Adizes Institute, 2020*).

In the next section of the article, we will reveal the fundamental approaches to building marketing systematization that can meet the needs of micro and small businesses.

3. Practice tools we recommend to improve on the way of systematicity of marketing communications

As we have already understood, tools without understanding their feasibility and method of implementation are ineffective and a source of loss for the company. Instead, for marketing systems we have developed and implemented several tools that have strengthened marketing communication, made it stronger and more holistic.

First, let's make sure that marketing communication is part of the marketing system. Without the implementation of a marketing ecosystem, the communication tool will be ineffective.

For example, the Globis Insights resource says: "A systemic marketing approach interprets all marketing disciplines as part of one holistic ecosystem. It then aligns them along the customer journey with one objective" (*Globis Insights, 2020*).

Bleicher (1994) in the article "Integrative management in a time of transformation" emphasizes, "An approach to structure management challenges by applying a 'system-theoretical perspective that sees organizations as complex systems consisting of sub-systems, interrelations, and functions" (*Bleicher, 1994*).

These statements emphasize the importance of the factor of the integrity of the marketing system as a guarantee of the effectiveness of all company communications.

We have tested the approach of building systemic marketing, which consists of:

1. Setting up the HR system in marketing.
2. Optimizing marketing operations.
3. Budgeting and setting key performance metrics (KPIs).
4. Marketing system reporting system.

You ask, where is marketing communication here? It is a derivative part of these fundamental processes. For example, by setting up the HR system, we understand that the company will be able to attract target specialists who will qualitatively convey the product's value proposition to the market. By setting up operational processes in marketing, there is a chance for debureaucratization and the team has time to implement product communication. High-quality budgeting immediately helps to see the benefits of implementing marketing communications and predict their effectiveness. A transparent and clear reporting system will reflect quantitative indicators of the effect of marketing or PR activities.

Tools that are proposed and implemented in part of each of the marketing subsystems:

– HR. System of test tasks, assessment of the quality of their implementation, candidate portrait, specialist grade.

– Operational processes. Optimization (simplification) through the use of flowcharts according to the Lean methodology, communication canvas, company meeting system. Template creation when creating a marketing strategy or communication strategy, as well as tasks for its implementation.

– Budgeting. Division of marketing processes into revenue, service and system, according to the Adizes methodology (*Adizes Institute, 2020*), which says "Set goals and budgets in a

way that encourages risk-taking, committing to goals that are not easily achieved and establishing goals and budgets based on mutual trust and respect".

– Reporting. Forms of reports that display key metrics of marketing communications effectiveness.

Ключові KPI сторінки/Key metrics										
К-сть підписників/Followers		% приросту/growth		Кількість підписок/fact followers	Показник залучення/ ER		% переглядів сторі від к-сті підписників/engage from followers		Охоплення/reach	% приросту/growth
План	Факт	План	Факт	Факт	План	Факт	План	Факт		

Fig. 1. Shows key metrics in evaluating marketing communications through Social media

Загальна к-ть переглядів/ Sum of views	Повторна к-ть переглядів (поставити коефіцієнт)/ retention of views	Кількість охоплення/ Reach	Кількість взаємодій/ count of engagement	Глибина переглядів/ deep watch	Загальна к-ть продажів (шт)/ sales	Вартість 1 покупки в USD/ CAC
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Fig. 2. Shows key metrics in evaluating marketing communications through video value delivery

The implementation of each subsystem takes from 2 weeks to 3 months. At the time of writing, the current system has been implemented in 4 companies in Ukraine.

4. Verbal and non-verbal dimensions of business communications

Business communication is generally divided into verbal and nonverbal. Organizations as systems function through language, symbols, behavior, and cultural codes that are embedded internally and transmitted externally.

Verbal Dimension

Verbal communications form the basis of business interactions. These include:

- internal communication (company policies, job descriptions, internal meetings, corporate culture in written and oral forms);
- external communication (marketing messages, advertising slogans, social media content, management speeches).

According to research in the field of communication management, verbal communications are interpreted as follows: "Verbal business communication delivers clarity of message, structure, and directness, yet its effectiveness depends on the systemic alignment of language with organizational goals and brand identity" (Nadrag, 2022).

(see Bleicher, Knut, "Integrative management in a time of transformation") (Bleicher, 1994)

Nonverbal dimension

Nonverbal communications are manifested both inside and outside the company. These are:

- visual attributes of the brand (logo, product design, colors, spatial environment);
- behavioral patterns (facial expressions, gestures, culture of business communication);
- digital interfaces (UX/UI of the site, presentation design, tone of voice in messengers)

Research by Mehrabian (1971) proves that the nonverbal component has an even greater influence on the perception of the message than words:

"Non-verbal cues often carry the greater weight in communication, shaping perceptions of trust, authority, and authenticity" (*Mehrabian, 1971*).

Systemic approach

Both dimensions must function together, as they are part of a single marketing ecosystem. If a company systematically builds marketing processes (HR, operations, budgeting, reporting), then communication – both verbal and non-verbal – becomes consistent, holistic, and persuasive.

Thus, the systematic nature of communications lies in the combination of content (what is said) and form (how it is presented). It is at the intersection of these two planes that customer trust is formed, the brand is strengthened, and the competitiveness of the business is ensured.

5. Conclusions

The systematic nature of a business is formed through the interaction and interdependence of all its components: finance, human resources, operations, sales and marketing. The organization appears as a single whole, in which the dysfunction of even one subsystem can destroy the balance and negatively affect the final result. This is confirmed by the systemic theory of management, according to which any organization is a single system of interconnected elements (*Morgan & Rana, 2015*).

In marketing, systematicity is manifested not only in a set of tools, but in building an ecosystem, where each tool has a clearly defined place. Practice shows that the chaotic use of individual marketing tools without a systematic approach leads to low performance and waste of resources. Therefore, the key task of entrepreneurs is to move from intuitive and situational use of communications to the creation of holistic systems.

The life cycle of a company according to Itzhak Adizes is also important: systematic business cannot be implemented at the stages of “courtship” or “early childhood”, when the structure has not yet stabilized. This is most effectively done at the “Youth” stage, when the company already provides basic profitability and is ready to invest in processes that consolidate its sustainability (*Adizes, 2004; Adizes Institute, 2020*).

Practical marketing system tools – HR, operational processes, budgeting, reporting – form the foundation for marketing communication. They ensure the presence of a team that is able to convey the value of the product, create space for communication activity, allow you to plan budgets and forecast effectiveness, as well as track results. It is in such a system that marketing communication becomes effective and consistent, and not an isolated action.

Verbal and non-verbal aspects of business communication should be distinguished separately. They form two complementary planes:

- verbal communication provides clarity and structure of the message;
- non-verbal – forms an emotional background, trust and authenticity.

Studies prove that non-verbal signals often have a greater impact on perception than words (*Mehrabian, 1971*). Thus, the systematic nature of marketing communications lies in the harmonious combination of content and form, logic and emotions, structure and culture.

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