

Marketing Strategies of Selected Business Establishments in the City of Tarlac

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— *Review of* —
**Integrative
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Introduction

According to Kotler and Armstrong (2004), marketing is a societal and managerial process by which individuals and groups obtain what they need and want through creating and exchanging products and values with others. Marketing is all about satisfying the needs and wants of the people. Marketing management, on the other hand, is the process of satisfying product demand and building profitable relationship with the market by providing them with products with superior value and satisfaction. We need marketing strategies to fulfill this, if the firms want to survive in the competitive world of business.

The Philippine retail market is a growing market. Tremendous evolutions of retailing have given way to the hypermarkets and giant shopping centers that have a dramatic impact on the retail structure of almost every nation. Adding colors to this growth was stated under Republic Act no. 8762, otherwise known as Retail Trade Liberalization Act which opened the doors for foreign capital in distribution of food, health care, personal care and lately luxury items, critics have described the law as a bane for small entrepreneurs. The government believes that RA No. 8762 is consistent with its liberalization policies, which seek to face local industries to become competitive, stimulate consumer spending and bring down prices of commodities. Also, retail trade nationalization law otherwise known as RA No. 1180 was the corner stone in nationalizing retail trade activity. It regulated the retail business and prevented foreign participation, thus, promote and strengthen competition among businesses.

Our major development in retailing was the establishment of malls. The City of Tarlac alone had four (4) malls established by local developers. The mall retailing environment offered to Tarlaquenos had slashed down individual bystanders, medium size business retailers operating and serving Tarlaquenos for more than a decade, particularly those situated along F. Tanedo St., considered to be Tarlac's main commercial area, or road, where traffic is the highest level, accessibility to other product or service are situated in a manner that consumer could reach the other retailers. These pioneer retailers of Tarlac City were left behind by what these malls

have to offer: parking space, one stop shop, service attendant, convenience and other several factors related to product, promotion, people, place and price.

Mall trend began and is increasing steadily in Tarlac, but through the years, small and medium size businesses are still visible and surviving. They continue to exist side by side with the giant architecturally constructed mall buildings. So, how these small business owners cross the bridge in spite of a wide gap between them and giant malls drew interest among the researchers.

Many factors had been identified for the downfall of many businesses; one of this is the competition. However, many are still kicking and alive. Hence, the present study aimed to unearth how these small and medium size businesses survived despite the competition. Their visibility is a proven success of survival based on the number of years before and after the establishments of Malls in the City of Tarlac.

Related Literature

Marketing concept is the marketing management philosophy that holds that achieving organizational goals depend on determining the needs and wants of target markets and delivering the desired satisfaction more effectively and efficiently than the competitors (Kotler and Armstrong, 2004).

Marketing planning is the systematic application of current marketing resources carefully allocated overtime in order to promptly achieve desired marketing objectives. Marketing planning continuously monitors, evaluates and measures the many external and internal influences in the market place on its ability to achieve acceptable profitable sales expectations. Furthermore, marketing planning provides an understanding and sense of involvement throughout the organization to the smallest sections of the particular competitive instance that an organization intends to take in the short term and long term prospects of achieving objectives. In preparing the strategic marketing plan, a company's marketing mix of activities cannot be isolated from other business functional areas as production, finance, purchasing, research and development, human resource; legal and other units, because the marketing planning process should be based on corporate planning system. These are five steps in the marketing planning process: (1) the marketing audit, analytical aid in planning, (2) SWOT analysis, (3) formulation of planning assumption, (4) setting of objectives and strategies, and (5) development of desire programs of actions (Lao, 2001).

Product planning embraces activities which enable producers and middlemen to determine what should constitute a company's product line. Under this activity two questions can be answered and these are:

(1)What product to produce? A question asked by producers or manufacturers

(2) What products to sell? A question asked by wholesalers or retailers.

Product development is a more limited term encompassing the technical activities of product research, engineering and design. This is distribution of new or improved products for present market. It is conceived with innovative product ideas based on market needs. Product features and modification like introduction of new sizes, colors, shape, flavors or creating several quality levels to better satisfy the present market. Product development undertakes to achieve stability in sales and profits, and to deprive an existing product from possible maturity by receiving interest of the consumers on new features (Mutza, 2000).

Packaging is a group of activities in product planning which involves designing and producing the container or wrapper for a product. There are several reasons why products are being packaged. Packaging serves as product protection during its route from the producers to manufacturers to the final user, and for protection during storing period before consumption. It complements a company's marketing program through differentiation by customers and it also increases profit possibilities, particularly when other customers buy the product primarily because of the package (Mendoza, 2003).

Management's ability to bring attention to a product and to differentiate it in a favorable way from similar products goes a long way towards determining that product's revenues. Thus management needs to engage in positioning. Positioning entails developing the image that the product projects in relation to competitive products and to the firm's other products for some products. The best position is directly against the competition. This strategy is specially suitable for a firm that already has a solid differential advantage or is trying to solidify that advantage. For other products, head to head positioning is exactly what not to do, especially when a competitor has a strong market position. One view is that under dogs should try to be the opposite or at least much different than the market leader. Certain producers are known for their high quality products and high prices. Sometimes, a company's positioning strategy entails associating its product with a product class or attribute (Etzel et al, 2001).

Promotion mix refers to the five kinds of marketing promotions: (1) advertising, (2) face to face selling, (3) publicity, (4) sales promotion, and (5) direct marketing. Depending on product being marketed, one or more of these kinds of promotions receives the most emphasis. For example, the marketing of cigarettes relies almost wholly on advertising and sales promotions, face to face selling is almost non existent, and any publicity is likely to be negative (Socrates, 2006).

The goal of effective marketing campaign is to surround the customers with messages. With the right mix, the customer can read the ad in the morning paper, see

the company's billboard while driving to work and hear radio spot on the way home. Out of home media provide all the options of the company needs to round out a campaign. This kind of advertising works best when it is used to communicate a single message so it's the perfect medium for building awareness for a store, product, service or brand (Gordon, 2004).

Advertising and publicity reach customers and prospects less effectively than a salesperson's visit. However, with the exception of e-mail and the internet, advertising and publicity are one sided forms of communication. A salesperson can answer a user's question and clarify benefits, whereas an advertisement does not allow feedback. Moreover, much advertising and publicity fall on deaf ears, readers or listeners who are not part of the target market. Only a small portion of advertising actually reaches the target audience (Calvin, 2003).

Pricing is one of the most important factors one must consider when putting up a business. The idea is not to price your product or service too high or too low. If the price is too high, not too many people will be able to afford your product or service. On the other hand, if its too low, customers will not buy it because they think what you are offering is of inferior quality (Chuapoco-Remedio, 2005).

Statement of the Problem

The main focus of the study is the description of the Marketing Strategies employed by selected business establishments in the City of Tarlac.

Specifically, it was bound to give light on the following queries:

1. How are the retailers/selected business establishments described as to their:
 - 1.1 Nature of Ownership
 - 1.2 Industry to which They Belong
 - 1.3 Products and Services Offered
 - 1.4 Asset Size
 - 1.5 Numbers of Employees
 - 1.6 Average Estimated Income for the Last Three (3) Years
2. What are the Marketing Strategies of the Businesses in terms of:
 - 2.1 Sources of Ideas for Products/Services Offerings
 - 2.2 Competitive Strategies
 - 2.3 Strategies for Achieving Quality Products and Services
 - 2.4 Strategies to Achieve Competitive Price
 - 2.5 Strategies for Attaining Services as Competitive Advantage

- 2.6 Strategies of making Innovative Products
 - 2.7 Strategies on Improving Products or Services
 - 2.8 Strategies to encourage customers to buy
 - 2.9 Pricing Strategies
 - 2.10 Business Site Strategies
 - 2.11 Product Promotion
 - 2.12 Ways of Maintaining Customers
3. What are the problems related to the application of practice of Marketing Strategies?

Scope and Limitations

The present study considered selected establishments as those operating outside the mall system.

Related Studies

A. Foreign Studies

The Center for International Business Education and Research conducted a study entitled: “Marketing Strategies for Mature Products in Developing Countries: A case Study of South Korea” by Francis M. Ulgado, Moon Kyu Lee and Iu Ku Lee. This paper examines the impact of various marketing strategies on the performance of products under the maturity stage of the product life cycle in a developing country like South Korea.

Results of the study indicated that the competitive environment of the maturity stage in South Korea can be further classified into four distinctive types and that different strategies have different effects on product performance under each type of environment. The study also reports that generally, vertical integration and product/service improvement strategies have the most significant influence on product performance under the maturity stage in South Korea.

In 1998, Kalyanaran conducted a study entitled “Market Entry Strategies- Pioneer versus Late Arrivals”. This study revealed that in most cases, being the first in the market provides a significant and sustained market share advantage over the later entrants, and that pioneers with a distinctive presence in the market place need to be in a position to react, or even better, anticipate potential entrants and increase the barriers to entry.

The researcher further concluded that a later entrant or a pioneer seeking to foil new comers needs to have a through understanding of the entry and defensive strategies available, a good sense of timing and a game plan for decision making.

B. Local Studies

Soriano (2008) revealed in his study that the most notable among the problems in marketing management of the small and medium businesses in Western Tarlac is low price, followed by unresponsiveness of the products to customer needs, no customer, high promotional cost, stiff competition, and declining demand because of the presence of many firms and continuous increase in prices of products.

Also, he concluded the retailing businesses in Tarlac are more of self organized and are not being controlled by bigger organization such as main branch or Mother Company. They have good strategies when it comes to providing products to the customers. The businesses are also more of “customers and business centered” because they purchase goods in large quantities for their customers and for their concerned with inventory control because that is one of the factors that determine their costs.

Furthermore, the SMEs in Western Tarlac are generally customer oriented when it comes to the generation of new product ideas. The competitive strategies that they adopt suggest the great importance given by them towards price and quality to differentiate themselves from their competitors. When it comes to pricing, the firms favor the competition based pricing in setting prices for their products. The business also give due consideration to cost when it comes to pricing their products and services.

The businesses have high regard for quality and pricing as competitive advantage. The product improvement strategies of the businesses involved in the study seemed to favor the customers.

Beery (2000) concluded that some firms will still require long term capital financing to undertake investments as they did in The Old Economy. Some will require venture capital to start up a new business because of the size and risk of the business. Some will still require the availability of short term loans to continue their operations.

Methodology

The descriptive survey method was used in the study. One hundred fifty (150) establishments were taken at random among the various establishments located in Tarlac City. The questionnaire and the interview schedule were used as the instruments in collecting the necessary information from the respondents. The questionnaire was

used in gathering information on the profile of the businesses, the marketing strategies they utilized as well as the problems they came across with the use of marketing strategies. The interview schedule was also utilized to validate some information taken from the questionnaire. Data were presented in tables and analyzed using frequency counts, percentages and ranking method.

Results and Discussion

1. Marketing Management Strategies

Table 1
Profile of the Enterprise as to Form of Business

Form of Business Organization	Frequency	%	Rank
Sole Proprietorship	76	65.51	1
Partnership	12	10.34	3
Corporation	26	22.41	2
Cooperative	2	1.74	4
Total	116	100.00	

Table 1 shows the profile of the enterprises as to form of business the respondents are engaged in. Among the respondents, 76 or 65.51% operate as sole proprietors. Corporation as the type of business organization ranked second, while only 2 or 1.74% were classified as Cooperative.

Table 2
Type of Business

Industry	Frequency	%	Rank
Food	27	23.27	1
Jewelry	11	9.48	6
Garment	14	12.07	4
Wood Handicraft	12	10.34	5
Printing	19	16.38	3
Electronics	23	19.82	2
Agri-Based	10	8.64	7
Total	116	100.00	

Table 2 reflects the profile of the enterprises as to the type of business they operate. By inspection, food as a type of business topped the list, followed by electronics, then printing business, with not so pronounced difference. Agri-based enterprises ranked last.

Table 3a
TYPE OF PRODUCTS

Item	Frequency	%	Rank
Convenience products	7	6	6
Shopping products	5	4	7
Specialty products	10	8	5
Automotive Materials and Parts	16	14	4
Office Supplies	26	22	2
Food Products	35	31	1
Others	17	15	3
Total	116	100	

Shown on Table 3a are the types of products offered by the business enterprises to the consumers. The most common type of products offered for sale are classified under food category, 31%. This includes frozen foods, like hotdogs, patties, ham; tocino, longganisa and other easy to prepare foods usually wrapped for “baon” of employees as well as pupils and students.

While 22%, which ranked second among the products commonly offered for sale are classified as office supplies. Following next is the category of auto parts and supplies. Ranked last is the category of shopping products.

Table 3b
PARTICULAR SERVICES

Item	F	%	Rank
Printing	30	26	1
Rental services	27	23	2
Cell phone Repair	15	13	3
Pro-Audio Equipment	14	12	4
Lending	12	10	5
Medical Services	4	3	8
Beauty/SPA Salon	8	7	6
Courier services	6	5	7
Others	2	2	9
Total	116	100	

Table 3b reveals the particular services rendered by the businesses. The service that topped the list with 26% frequency is printing services. Followed by rental services with 23% frequency. This includes rental of computer units, videoke, and sound systems. Other services identified were, lending, courier services, medical and salon.

Table 4
Asset of the Enterprise

Amount Range	Frequency	%	Rank
P1,000,000 or less	48	41.38	1
P1,000,001 to P5,000,000	25	21.55	3
P5,000,001 to P10,000,000	9	7.76	4
More than P10,000,000	34	29.31	2
Total	116	100.00	

Table 4 shows that majority of the respondents had 1,000,000 or fewer assets which comprise 41.38% of the respondents. It is interesting to note that among the enterprises, 34 or 29.31% had more than P10,000,000 amount of assets. This indicates that enterprises in the locale of study had already invested huge amounts despite the continued and increasing presence of mall type shopping alternative.

Table 5
Number of Employees

Number	Frequency	%	Rank
5 and less	47	40.51	1
6 – 10	23	19.82	2
11 - 15	8	6.89	5
16 – 20	16	13.79	3
21 – 25	6	5.20	6
26– 30	4	3.45	7
More than 30	12	10.34	4
Total	116	100.00	

Shown in Table 5 is the profile of the business enterprises in terms of the present number of employees. It reveals that 40.51% of the respondents employ 5 or less employees. Included in this category are those enterprises which do not have employees and that which operate with the owner and the family members as the primary workers of the enterprise. Only 10% employ more than 30 workers.

2.1 Sources of Ideas for Product/Service Offerings

Table 7
SOURCES OF IDEAS FOR PRODUCT/SERVICE OFFERINGS
N = 116

Sources of Ideas	Frequency	%	Rank
Customers	40	35	1
Competitors	29	25	2
Franchising	3	3	7
Friends	11	9	5
Mother Company	12	10	4
Research	16	14	3
Others	5	4	6
Total	116	100	

Table 7 depicts the sources of ideas of the 116 entrepreneurs interviewed for this study. Forty of the businesses revealed that customers are their primary inspiration when it comes to offering of new products. Any products that they sell are a product of customer suggestion and what the customers really need. Twenty-nine of the businesses get new product ideas for competitors. There are sixteen who opted for franchising. There are twelve businesses which offer new products because these are what their mother company requires them to sell. There are five from sources of friends. There were six entrepreneurs stated that others like attending seminars, offered distributors, family ideas and owned- ideas.

These findings reinforced the idea that the real source of ideas is generally customer oriented when it comes to the generation of new product ideas. This strategy is consistent with the marketing concept which states that for a business to have profitable operations, it must take into great consideration the customers. A business exists because there are customers to be served and must be satisfied through tailored marketing offers.

2.1 Ways of Keeping Products/Services Competitive

From Table 8, quality and pricing were ranked first and second, respectively. Service came in third among the competitive strategies. Service means the offering of a benefit or satisfaction that the other businesses cannot otherwise provide. It also means fast and reliable delivery of benefit. Continuous process improvement came in fourth.

Innovation way come in the form of improved products and services which are far different from those offered by competitors. Supplier's partnership ranked fifth and last from others like "I don't compete", "Good relation with customers", etc.

Table 8
Ways of Keeping Products/Services Competitive
N = 116

Competitive Strategies	F	%	Rank
Pricing	33	28	3
Continuous process improvement	16	14	4
Service	20	17	3
Supplies Partnership	7	6	5
Quality	37	32	1
Others	3	3	6
TOTAL	116	100	

2.2 Ways of Achieving Quality Products and Services

Table 9
Ways of Achieving Quality Products and Services
N = 116

Ways of Achieving Quality Products/Services	F	%	Rank
Customer Needs and Focus	58	50	1
Best Materials and Parts	27	23	2
Proven Products Methods	6	5	5
Subject Product Quality Control	12	10	4
Good Relationship Suppliers	13	11	3
Others	0	0	6
TOTAL	116	100	

Table 9 shows that out of the 116 businesses, 58 of them achieve quality products by knowing customer needs and focus. This is an effective tactic service in which a product can be considered with high quality when it is able to satisfy the needs and wants of the customers or when a product was able to deliver what the customer expects from it. Twenty-seven (27) businesses responded that they use only the best materials and parts. Thirteen businesses revealed good relationships to suppliers is needed. Twelve businesses practiced quality control and this ensure that no defective

product reach the customers by religiously practicing quality at the source. There were six businesses which employ proven production methods.

The data presented reveal that businesses have high regard for quality. Quality is a good marketing strategy due to the fact that it tries to win customers support for products and services. A product with good quality gives not only satisfaction to customers but delights the customers. This then ensures continued patronage of the product which may lead to loyalty.

2.3 Ways of Achieving Competitive Price

Table 10
Ways of Achieving Competitive Price
N = 116

Ways of Achieving Competitive Price	F	%	Rank
Using efficient production technique	32	28	2
Using cheap raw materials and parts	8	6	4
Follow price of customers	22	19	3
Cost efficient- Low price	50	14	1
Others	4	3	5
TOTAL	116	100	

Above table reveals that there were fifty businesses with pricing as their competitive strategy. 32 businesses believed using efficient production technique, 22 businesses follow the price of competitors, 4 businesses use cheap raw materials and parts and about 5 businesses answered others stating superior production process, economics of scale, high quality raw materials, keeping overhead low and less profit but more sales.

Price refers to the value of a product or service. According to Chua Poco—Remedio (2005), pricing should not price the product or service too high or too low. If the price is too high, not too many people will be able to afford the product or service. On the other hand, if it is too low, customers will not buy it because they think the product being offered is of inferior quality.

This information suggested that the firms/businesses favor the competition based pricing in setting prices for their products. That pricing strategy greatly considered the pricing behavior of the competitors because whatever price they give to their product is also the price of the firm for its product. A firm may also deviate from the prices of the competitors, but the discrepancy is not that very substantial as to encourage more customers from the competitors to buy the products or services of the firm.

2.4 Strategies for Making Innovative Products

Table 11
Strategies for Making Innovative Products
 N = 116

Ways of Making Innovative Products	F	%	Rank
By offering products new to the market	54	47	2
By offering newer features/add on service	59	51	1
Others	3	2	3
TOTAL	116	100	

Base on the table above, among the respondents, 59 of them offer newer features/add on service while 54 wanted offering products new to the market.

Hence, it serves as a challenge for businesses to make an effort to conduct research on customers wants with regards to a product before it proceeds to the actual product processing.

2.5 Ways of Attaining Service as a Competitive Advantage

Table 12
Ways of Attaining Service as a Competitive Advantage
 N = 116

Ways of Attaining Service as a Competitive Advantage	F	%	Rank
Fast and reliable delivery system	38	33	1
Safety	17	15	4
Warranty, Free Repair	25	22	2
Cleanliness	22	19	3
Good Place	12	10	5
Others	2	2	6
TOTAL	116	100	

Table 12 reveals that 38 businesses provided fast and reliable delivery system, 25 businesses offered warranty and free repair, 22 businesses are for cleanliness, 17 businesses rely on safety, 5 businesses provided good place, and 2 others stated quality service and good relationship to customers.

2.6 Strategies on Improving Product/Services

Table 13
Ways of Improving Products/Services
N=116

Ways of Improving Products/Services	F	%	Rank
Considering Customers' Suggestions	22	19	2
Considering Customers' Feedback	35	30	1
Employee Feedback	10	9	5
Continuous Research	15	13	4
Attendance to Training, Seminar	16	14	3
Trial and Error	10	9	5
Doing My Own Research	8	7	6
Total	116	100	

The table above shows the strategies of the business firms to further improve their products and make it more attractive and responsive to customers' needs. Foremost among the strategies is customer's feedback. After using the product, customers are very vocal in showing their experiences regarding the product/services, whether it is positive or negative. Second in the rank is customer suggestions; they give inputs on how to improve the quality of product/services. Considering customers suggestions is a much cheaper, effective, and responsive ways of improving products and services.

Other businesses, 14% even spend for trainings and seminars to be able to improve on what they used to do. Still, 15 business owners believe in continuous research, 10 businesses shared on employee feedback as a way of improving products/services. There were also 10 businesses which rely on trial and error. Six businesses believed in doing their own research.

The product improvement strategies of the businesses involved in the study seemed to favor the customers. This is consistent with idea of marketing concept. Marketing concept, according to Kotler and Armstrong (2004), is the marketing management philosophy that holds that achieving the organizational goals depends on the determining the needs and wants of target markets and delivering the desired satisfaction more effectively and efficiently than the competitors.

2.7 Strategies to Encourage Customers to Buy

Many businesses bank on satisfaction to encourage customers to buy products and services. Satisfaction is tantamount to quality as it satiates the expectations of the customers whether that is tangible good or intangible services. There are 68 businesses which take advantage of this strategy as shown in Table 14. On the other hand, 20 businesses rely on convenience which pertains to the location of the enterprise. The location of a business must be conveniently reached by the customers. Ten businesses believe on pricing such as giving terms to customers. Ten businesses cite on security and protection as customer strategy. The remaining four businesses mention service as a customer encouragement strategy.

Table 14
Strategies to Encourage Customers to Buy
N=116

Strategies	F	%	Rank
Satisfaction	68	59	1
Credit Card	2	2	5
Refund	2	2	5
Protection Security	10	8.5	3
Convenience	20	17	2
Terms	10	8.5	3
Other Service	4	3	1
Total	116	100	

With the data presented, selected businesses in Tarlac are more of quality oriented when it comes to persuading customers to buy goods and services.

2.8 Pricing Strategy

Table 15
Pricing Approaches
N = 116

Pricing Approaches	F	%	Rank
Cost Based Pricing	49	42	1
Break Even Pricing	3	3	4
Term Pricing	2	2	5
Value Based Pricing	27	23.2	3
Competition Based Pricing	34	29	2
Others Discounting	1	8	6
Total	116	100%	

Base on the preceding Table, forty nine of the businesses use costbased pricing. From the product cost a certain mark up is imposed to arrive at the selling price. Thirty four of the businesses use competition based pricing. This pricing strategy is also the same as the “follow the leader pricing strategy”. This is a common and safe way to price a product: common as it follows the common price and safe as it cannot cause the customers to shy away from the business because of higher price. Twenty seven businesses consider value based pricing while three adopt break even pricing.

Break even pricing is a pricing strategy where the business can determine the price sufficient enough to give the business normal profit. There were two businesses who responded that they use term pricing, and one business uses discounting.

From the above data it can be seen that businesses put a high regard to their cost and competitors. Businesses think of their cost to be able to come up with a reasonable price for their products. The businesses give much attention to their competitors with regard to the setting of prices. The competitors are known to be good sources of information when it comes to reasonable price of products. It is also seen as a safe way of setting pricing. That is because when business sets its price at par with the price of the competitors, customers have no reason to shy away from the business.

2.9 Business Site Strategies

Table 16
Strategies For Choosing Business Site
N=116

Strategies for Choosing Business Site	F	%	RANK
High People Traffic	13	11	4
Accessible to Customer	32	28	1
Stall can be Rented Cheap Price	8	7	5
Place has Enough Room for Future Expansion	7	6	6
Site is in the Business Center	22	9	3
Accessible Transportation	24	21	2
Accessible Supplies/Wholesaler	6	5	7
Others	4	3	8
Total	116	100%	

Table 16 illustrates that thirty two businesses believe that accessibility to customer is a prime consideration in choosing business site. Twenty four firms revealed that accessibility to transportation is needed. Twenty two firms agree that site is

in the business center. Thirteen firms voted for high people traffic, eight firms declared for stall that can be rented at cheaper price. Seven firms chose for a place with enough room for future expansion. There were six firms/businesses which chose accessibility to supplies. There are others which have uncommon reasons for their location decisions: economic condition of the people and near a police station.

A business site is very important for a business just as the other factors in the marketing mix. There are cases where location makes attractive and unattractive to visit. From the given the above strategies in choosing business site. The malls serve as an attraction to customers because of its favorable features such as safety, efficiency and economy.

2.10 Product Promotion Strategies

Table 17
Product Promotion Strategies
N=116

Product Promotion Strategies	F	%	RANK
Advertising	28	24	2
Sales Promotion	15	13	5
Personal Selling	16	14	4
Public Relations	34	29	1
Direct Marketing	20	17	3
Others	3	3	6
Total	116	100	

Table 17 gives information about the promotional tools utilized by the business. Thirty four (34) businesses agree on public relations. Twenty eight (28) businesses resort to advertising. Twenty (20) businesses apply direct marketing while sixteen (16) businesses believe on personal selling. Fifteen (15) businesses adopt sales promotion and three (3) businesses use on-line marketing.

The use of different promotional techniques by the businesses indicates their knowledge on the importance of good promotion. The businesses know and are very familiar with the different promotional tools that they can use to create awareness for their ventures and marketing offers among the customers. This is essential for businesses to succeed. They must make an effort to communicate what they produce and offer, so the consumers may know and patronize their products or services. The business can also use promotion to market improved versions of their

products and also enable them to maintain their market share from the competitors.

2.11 Product Promotion Strategies

Table 18
Ways of Maintaining Customers
N = 116

Ways of Maintaining Customers	F	%	RANK
Friendly Relations	32	28	1
Discounts	22	19	3
Manage with Care	12	10	5
Freebies	15	13	4
Provide Good Service	29	25	2
Provide Other Amenities	4	3	6
Others	2	2	7
	116	100	

Table 18 lists the various ways the businesses maintain their customers. Thirty two (32) of the businesses surveyed revealed that they practice friendly relations with their customers. In this strategy, the customers are trusted as very important people like kings and queens. Twenty nine (29) of the businesses provide good service. Twenty two (22) businesses give good discounts to the customers to maintain their loyalty. Fifteen (15) businesses provide freebies. Twelve (12) revealed that managing with care is very important and providing other amenities is of great help in encouraging customers to continue patronizing the products already offered by a business in the market.

Information presented above prove that great effort must be done to maintain the most important asset outside the business, i.e. customers. They acknowledge the fact that without the customers, they would not exist. This premise is the inspiration why they are doing lots of things to keep the loyalty of their customers and consumers, or the market in general.

2.12 Marketing Management Problems/Concerns

The most notable among the problems in marketing management of selected businesses in Tarlac City as seen in Table 19 is stiff competition because of the

presence of many firms and continuous increase in price of products. Second there are no or few customers. This can be attributed to the many firms business competing in the market and the presence of malls greatly affects the number of customers. Third is low price. This is conceivable since many businesses are adopting cost based pricing.

Table 19
Marketing Management Problems/Concerns
N=116

Marketing Management Problems/Concerns	F	RANK
Products Offered Not Responsive to Customers' Needs	12	4
No/Few Customers	15	2
Low Price	13	3
High Promotional Cost	8	5
High Variable Cost	13	3
Stiff Competition	47	1
Government Restrictions	4	6
Others	4	6
Total	116	

The next main problem is the unresponsiveness of the products to consumer needs. Twelve (12) businesses responded to this type of problem which indicates that this is a problem of those businesses which do not consider customers in their product offering strategy. Fifth, is the high promotional cost. This is because many of the businesses use various types of promotion to let customers know more about their business, provide lower products in the form or sales promotion, conduct some activities that will help build friendly relation with the customers and do some personal selling to people whom they highly expect to buy their products.

Summing up from the previous discussion, the marketing management in the City of Tarlac, in competing with the mall establishments was concentrated on the marketing mix of product, price, place, and promotion.

Recommendations

1. The businesses or firms should make effort to innovate marketing by providing products/services which are new to the market or by offering newer features or add-on service to their marketing offers.

2. The businesses should increase service as a competitive advantage to differentiate from competitors. The businesses can do this by providing faster service giving warranty at no extra cost to customers.
3. The businesses/firms should improve costing. It should be cost efficient whether the strategy adopted is low cost provider or best cost provider, we should bear in mind quality is not sacrificed and that all parties (seller and buyer) involved are both benefited.
4. A harmonious relationship with the customers should be maintained and sustained. Hence, customer suggestions should be heard and given careful consideration especially in making future plans.
5. Supplier partnership should be strengthened. Since suppliers also play a great role as far as quality product and timely delivery of raw materials are concerned, a harmonious relationship should likewise be maintained with them.
6. Exposure and linkages with civic and non civic organizations or agency like TSU-CBA BIDA, Business Information Development Assistance should be made. These agencies may help to find solutions to problems and or other concerns in production, marketing, management and finance.
7. A follow up study is encouraged to be done to further include variables not considered in the present study. Moreover, the same study can be conducted in other parts of the province to assess the marketing strategies employed by small and medium enterprises in those areas, as bases for intervention.

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