

minib22

marketing of scientific
and research organizations

no. 4(22)/2016



research
for future



eISSN 2353-8414

pISSN 2353-8503

december 2016



MARKETING ACTIVITIES IN THE AREA OF MICRONIZATION SERVICES

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DOI: 10.14611/minib.22.12.2016.10



Summary

The publication presents the importance of the relationship with the client in relation to the effective marketing strategy. The results of customer satisfaction and market analysis, including revenues from sales of micronization services were discussed.

Keywords: marketing, services, marketing research, customer satisfaction survey, market research

Introduction

The most comprehensive definition of consumer satisfaction has been formulated by Woodruff and Gardial, who describe it as "positive, or negative feeling of the client associated with the value he received as a result of using a particular product offer in a specific situation. This feeling can be a direct reaction to the utilization of a product, or a complete reaction to a series of experienced situations" (Woodruff and Gardial, 1996).

There are two, commonly accepted, main concepts of consumer satisfaction, that is, transaction-specific satisfaction and cumulative satisfaction (Jachnis and Terelak, 1998). Transaction-specific satisfaction emphasizes the short-lived character of the client's experiences with a product, or service. The assessment of this kinds of satisfaction is dominated by the emotional element and the client's experiences play a minor role. As opposed to transaction — specific satisfaction, cumulative satisfaction is regarded as the client's experience with particular goods, or service (Dembińska-Cyran, Hołub-Iwan and Perenc, 2004).

With regard to the service sector, it is emphasized that client satisfaction is built through the combination of aspects associated with technical quality, that is, what the buyer receives as a result of provision of service and with the functional quality associated with the way a service is provided (delivered) (Gronroos, 1984).

Client satisfaction is a condition necessary for achieving success, but in itself, similarly as quality, it is often not a sufficient condition. The key factor behind client satisfaction is the relationship between the subjective assessment of the standard of service provision and the client's expectations. According to this, satisfaction appears in a situation where the subjective assessment of the level of provision of service is at least equal to expectations (Niezurawski and Witkowska, 2007).

Services involving the micronization of provided material, provided for many years by the Micronization Laboratory at the Inorganic Chemistry Division "IChN" in the New Chemical Syntheses Institute in Gliwice, are

provided according to the requirements of Good Manufacturing Practice (GMP). The laboratory cooperates with leading producers of pharmaceutical products and recently also with the manufacturers of cosmetic products and producers of dietary supplements. The process of micronization is conducted with the use of an opposed jet mill. The design of the mill makes it possible to minimize the threat of introducing physical pollution to the micronized substance. A factor which supports the high quality of the process of micronization and separation is the analysis of the size of particles of micronized material. Thanks to this it is possible to check whether the requirements of the clients have been satisfied.

In the area of micronization regular monitoring of client satisfaction with provided services is conducted. At the same time the market is monitored in terms of revenues from sale of offered services.

Analysis of client satisfaction questionnaires in the area of micronization services

Client relations management is an element of efficient marketing strategy. In association with this, it is extremely important to build lasting relations with the client. One of the elements of marketing research is regular measurement of client satisfaction. The feedback obtained this way constitutes entry data for planning further marketing activities.

In the client satisfaction questionnaire given to the clients of the Micronization Laboratory in 2014–Q1 2016 the following questions were included:

- Are You satisfied with the provided service?
- Will You order another service from the Micronization Laboratory?
- Would You recommend the Micronization Laboratory to other companies?

Here it was assumed that the questionnaire is sent again to the client who continues ordering services from the Micronization Laboratory after

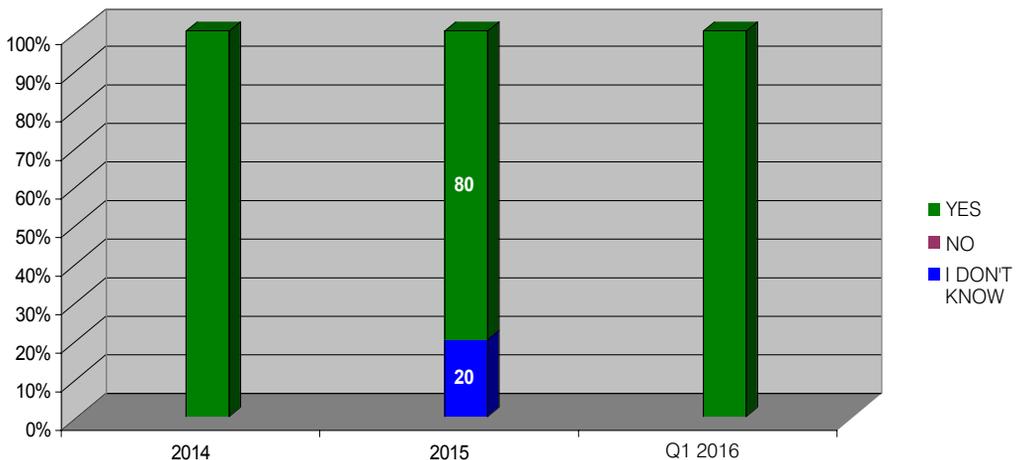
2–3 years. For the analysis of particular years the results of the last available questionnaire from a particular client are taken into consideration. This means that if in 2015 a client didn't receive a questionnaire, but there is a questionnaire from 2014, its results are taken into consideration also for the analysis of 2015.

Between 2014 and Q1 2016 clients sent back a total of 39 questionnaires, which in the following years constituted respectively 18.69% in 2014 (out of 107 clients, 20 sent back the questionnaires), 34.44% in 2015 (out of 90 clients 31 sent back the questionnaires) and 37.14% in Q1 2016 (out of 35 clients 13 sent back the questionnaires).

The following charts (picture 1–3) illustrate the clients' answers to the questions from the above questionnaire.

In 2014 and in Q1 2016 all clients who sent back the questionnaires were satisfied with the received services. In 2015 80% of clients confirmed their satisfaction with the orders carried out by the Micronization Laboratory and 20% were unable to confirm whether they were satisfied with the service (Picture 1).

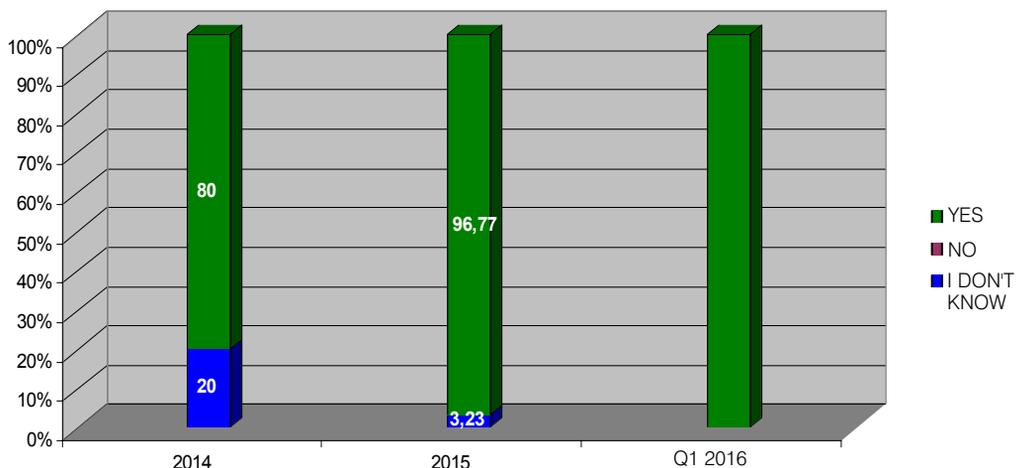
Picture 1. Client's satisfaction with the provided micronization service



Source: Own materials.

From 2014 to Q1 2016 the share of clients declaring the willingness to use the services of Micronization Laboratory again increased (from 80 to 100%) (Picture 2).

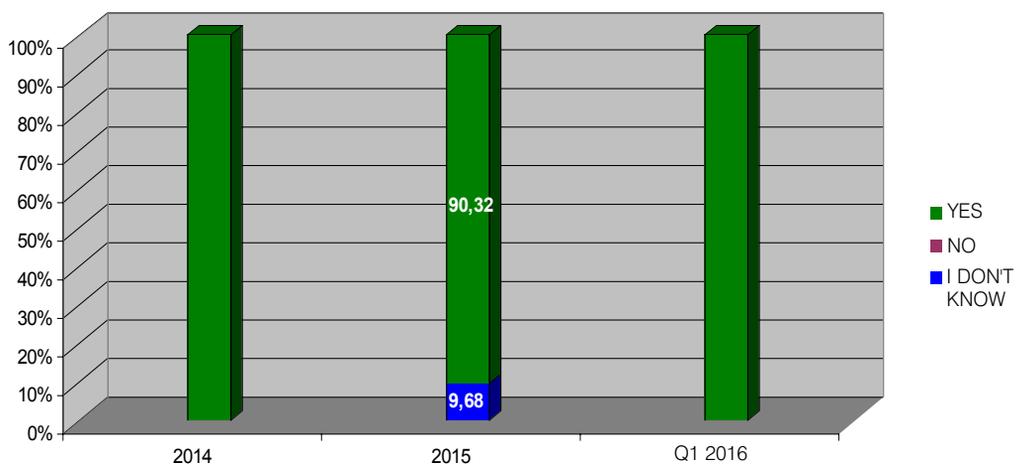
Picture 2. Clients declaring the intention to order services from Micronization Laboratory again



Source: Own materials.

The next question was supposed to check whether clients would recommend Micronization Laboratory to other companies interested in the micronization of supplied material.

Picture 3. Clients planning to recommend Micronization Laboratory to other companies



Source: Own materials.

It was only in 2015 that not all (9.68% of all respondents) declared they were willing to recommend the Laboratory to other clients (Picture 3).

Generally, the client satisfaction survey shows that the Micronization Laboratory takes care of good relations with the client. Moreover, the percentage of filled out questionnaires is growing.

Market research for the purposes of micronization services

At the same time, market analysis in the area of micronization services is carried out regularly. The analysis takes into consideration the revenues from sold services with the reservation that strategic client is a client for whom revenues from their sales amount in the research period to more than 5% of the sum of all revenues from handled service work. The purpose of the analysis is thorough preparation for making marketing decisions. This publication includes the analysis of this data for the period from 2014 to August 31, 2016. This is illustrated by charts (picture 4–6).

Chart on Picture 4 presents the percentage of clients ordering micronization services in 2014, where total sales revenue per client exceeded PLN10,000. Clients for whom the sum of revenues is lower than PLN10,000 are taken into consideration in the OTHERS group.

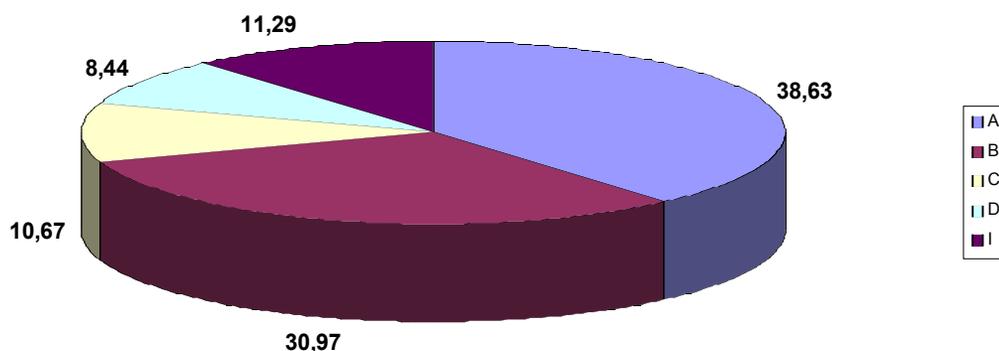
The chart shows that in 2014 orders carried out for companies A and B had a major impact on the results of the activity of Micronization Laboratory. The income from the sales of services to these companies constituted 69.60% of the income from sales of all micronization services. This is quite a disturbing phenomenon, as the loss of these two clients can have a negative impact on the financial result of the Laboratory. This is why it is so important to take care of keeping such a client.

Major clients (in their case the share amounted to more than 5% of the total sales) were also:

- company C,
- company D.

In 2015 Micronization Laboratory carried out research services for 21 clients. Among them 11 were new clients. What may be worrying is that 8 out of 11 new clients are one-off clients, who haven't ordered any services in 2016.

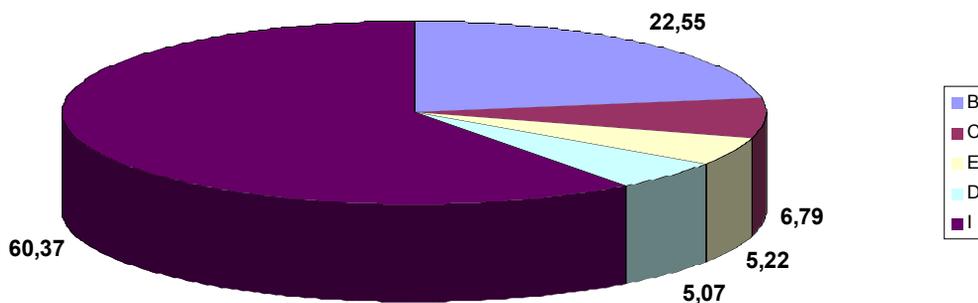
Picture 4. The share of particular clients in revenues from sales of micronization services in 2014, in %



Source: Own materials.

Chart on Picture 5 presents the percentage of clients ordering services from the Laboratory in 2015, where the total revenues from these services exceeded PLN 10.000. Clients in whose case the level of income is lower than PLN 10.000 are included in the OTHERS group.

Picture 5. The share of particular clients in revenues from sales of micronization services in 2015 in %



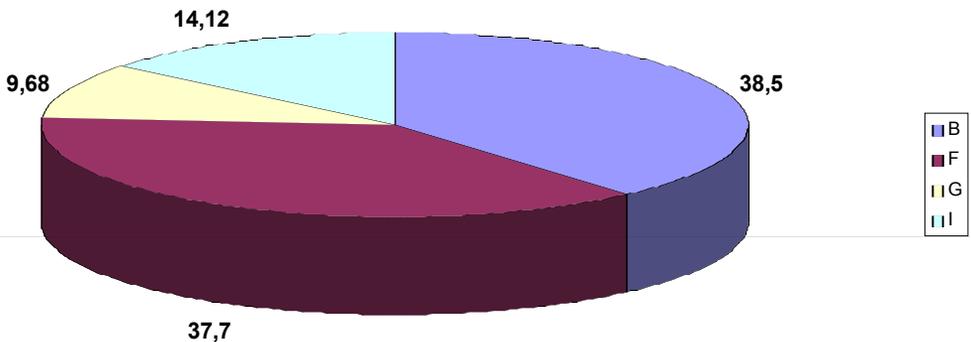
Source: Own materials.

In comparison to 2014, in the group of strategic clients one new and one one-off client appeared. The share of the OTHERS group in revenues from

sales of research services amounted to 60.37%. This fact should be encouraging, as the activity in the area of micronization services is not determined by the orders of one, or two clients, but by orders from a broader group of recipients. However, considering the fact that some clients ordered services only in 2015, it becomes apparent again how important good client relations actually are.

Chart on Picture 6 presents the percentage of clients who ordered services in the area of micronization by the end of August 2016, where the total income from these services exceeded PLN 8.000. Clients in whose case the amount of income was lower than PLN 8.000 were included in the OTHERS group.

Picture 6. Clients' share in revenues from sales of micronization services in % as of August 31, 2016



Source: Own materials.

As of August 31, 2016, the highest revenues were generated from services provided to company B and company F. The share of these clients in the total sum of revenues from sale of micronization services by August 31, 2016 amounted to 76.20%. Again, from 2014 it is possible to observe a trend towards provision of orders to two strategic clients. That's why it is necessary to make every effort to make sure that these clients continue cooperation in the area of micronization in the following year.

3 out of 4 clients, in whose case revenues from sales of micronization services in 2015 exceeded PLN15000 didn't order micronization services in 2016. These are:

- company C,
- company D,
- company E.

Revenues from sales of services in the area of micronization carried out for these clients in 2015 constituted 17.08% of the total revenues from sales of services in the area of micronization.

Compared to the previous years, by August 31, 2016 the Laboratory gained a few new clients, but some clients were lost, compared to the previous year. Big rotations among strategic clients could be observed also in 2016. In comparison with 2014 and 2015 only company B remained among clients for whom the sum of revenues from sales exceeded 5% of the overall sum of revenues from sales of offered services.

Conclusion

The presented results of research in the area of micronization services suggest that not just care about good relations with the client and developed marketing strategy have an impact on further orders. It is also the clients' financial situation and needs, which are often determined by the implementation of a particular project which influence the activity of the Laboratory and the whole company.

It is very important to identify the causes of the discontinuation of cooperation. Did cooperation end due to lack of demand from the recipient? Was it a client ordering a service in association with a project conducted at his institution? Is the lack of orders associated with excessively high prices for the strategic client and thus the client's financial situation doesn't allow investments in further research services?

In research activity the rotation of clients is a rather natural phenomenon, especially if these are clients ordering a service in course of

a project they are carrying out. That's why all marketing activities conducted in order to attract new and keep the existing clients, especially strategic clients, are so important.

At the same time it is worth emphasizing here that Poles' statistical awareness is poorly developed and not much is being done to change this. What's more, Poles lack the conviction that marketing research is a kind of dialogue of the company with the consumer. Through this dialogue the consumer provides information and this way may influence the shaping of the reality of the market. In Poland there is still a shortage of ventures popularizing "pro-statistical" civil attitudes. Thus, it is necessary to work out solutions encouraging active participation in questionnaire surveys, as only in such case the results of such research will be reliable.

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