

Coordination of corporate level marketing communications in a dispersed marketing organization: a case of an industrial technology-based MNC

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Abstract

This paper explores how corporate level marketing communications can be coordinated in a dispersed marketing organization. Specifically, the coordination of promotional marketing communications is examined in this study to reveal the connections between the different units at several levels of the organization, forming the internal marketing network. MNCs often perform their marketing operations at several levels and units, but under one corporate brand. This makes MNCs an interesting context for examining simultaneously the dispersion and the coordinative mechanisms of marketing organization, which still are scarcely addressed in empirical research on industrial marketing organization. This paper utilizes data from 17 interviews done inside a dispersed MNC with the managers and coordinators involved in marketing activities. The empirical findings from a qualitative case study show how the centralized and dispersed marketing organization solutions are coexisting. Marketing network actors are identified at three main levels of the organization, namely corporate communications, business unit, and regional levels. The study discusses also the related challenges, which originate from the contradictory requirements set by diverse BUs and the corporate level brand. Finally, managerial implications and ideas for further studies are presented.

Keywords: Industrial marketing organization, multinational company, marketing communications, coordination

INTRODUCTION

The most important competitive decision in industrial marketing has been said to be the organizational design of the marketing functions (Håkansson et al., 1979), but still the attention by marketing researchers to organizational aspects of marketing has been limited (Ivens et al., 2009; Harris and Ogbonna, 2003). Decentralized marketing units or marketing networks are increasingly common ways to organize marketing instead of centralized marketing departments (Doyle, 1995; Harris and Ogbonna, 2003; Homburg et al., 2000; Webster, 1992) also in industrial firms (Möller and Rajala, 1999). The trend has been towards dispersion of marketing organizations across customer-focused business units (BU) (Homburg et al., 2000). A matrix organization typically built of several BUs and company-wide functions makes it possible to match the experts of the specific business area to meet the respective customers. Thus, marketing organization supports marketing based on personal interaction between professional groups both from the seller and from the buyer organizations, and where the part-time marketers, salesmen and technological experts, have an important role (Möller and Rajala, 1999; Sharma et al., 2008). The development of intra-corporation marketing structures, the establishment of good communications between them, and the coordination of their activities has been found to present major challenges for industrial high-tech companies, as the decentralization of marketing activities has paradoxically recreated a need to coordinate the dispersed marketing units (Möller and Rajala, 1999). In a globally dispersed firm with one brand the need for integrating marketing communication is fundamental (Balmer and Greyser, 2006). But as the integration of an organization is a presupposition for integrated marketing communications (Phelps, Harris and Johnson, 1996), the coordination challenges are profound in a dispersed marketing organization. Empirical work into the intra-firm dispersion of marketing activities is still scarce (e.g. Harris and Ogbonna, 2003), but dispersion of organization is however discussed in context of multinational corporation (MNC) research (e.g. Birkinshaw and Hood, 1998; Forsgren, 2008), which offers an interesting context for examining a dispersed marketing organization. The coordination of marketing communications is examined in this study to reveal the connections between the different units at several levels of the marketing organization. Thus, the research question for this study is *how can corporate level marketing communications be coordinated in a dispersed marketing organization?* The research aim is to develop the empirically-based understanding of how marketing activities are organized in an industrial MNC.

THE MARKETING ORGANIZATION OF AN INDUSTRIAL MNC

In the marketing discipline, and especially in business-to-business marketing, organization is an under-researched topic (Pardo and Ivens, 2006), even though marketing and changes in organizing marketing and the role of marketing within the firm has been seen as an area of growing interest (Homburg et al., 2000; Workman et al., 1998). According to Workman et al. (1998) marketing organization addresses the allocation of activities to groups, and therefore marketing organization can be approached from two different perspectives: marketing as a functional group within the organization and marketing as a set of activities (e.g. advertising, product management, market research, sales and customer service) situated across organizations. These two approaches are interlinked because the marketing organization carries out marketing activities. However, empirical studies including both of these approaches are scarce, and more research on examining the details of specific organizational arrangements have been encouraged in order to better understand the occurring industrial marketing organizations (Pardo and Ivens, 2006).

Marketing organization of an industrial MNC can be depicted as a network consisting of different actors and units. In this research we focus specifically on those actors in marketing organization, who are performing promotional marketing activities. The focus is thus both on actors and activities, and the coordination of marketing communications is seen to be constructed through them. At the simplest form, marketing communications can be defined as the means by which firms attempt to inform and persuade customers, either directly or indirectly, about products, services and brands that they sell (e.g. Kotler et al. 2009, 865). Marketing communications is more specifically defined here as promotional marketing activities and relationship marketing approach is thus excluded for the purpose of this paper. As relationships with customers are constructed from individual level relationships, they naturally differ between organizational and geographical units, since relationship between supplier and customer consist from multiple individual relationships. However, despite the dispersed nature of customer relationships, we assume that marketing communications should be congruent throughout organization and to achieve this, coordination is needed. At the simplest level, the implementation of marketing strategies will require appropriate administrative and organizational arrangements, but as Piercy and Cravens (1995) note, the question of marketing organization goes far beyond administrative issues and internal department structure.

Webster (1992) states that traditional view of marketing organization is in the context of the large, bureaucratic and hierarchical organization, but as newer organizational forms are emerging, this view is requires modification. New organizational forms and environmental factors have lead to situation, where the marketing department will find it difficult to manage or even influence all contacts with the customer (Grönroos, 2006).Service marketing, relationship marketing and IMP approach have shown that marketing cannot be separated into one function and to the responsibility of only one department (Grönroos, 2006). The influence and significance of the corporate marketing department has decreased (Webster et al., 2005). Accordingly, Verhoef and Leeflang (2009) even state that the decision influence of the marketing department has been limited to advertising, relationship management, segmentation, targeting and positioning, and the traditional areas such as pricing and distribution are now covered by other departments (e.g. sales and finance). There is a need for dispersing marketing competence outside the marketing department and across the organization (e.g. Verhoef and Leeflang, 2009; Webster, 1992; Webster et al., 2005). In a decentralized network attention should be paid to establishing managerial mechanisms for marketing strategies, deciding where and how the customer contact is managed as well as developing information systems and creating processes to maintain marketing influence (Piercy and Cravens, 1995).

Previous research (see e.g. Webster et al., 2005, Homburg et al., 2000, Möller and Rajala, 1999) has rightly seen the need to illustrate alternative configurations of the industrial marketing organization. For example, Webster et al. (2005) illustrate the dispersion of marketing organization, but not depict the underlying complexity and multidimensional nature of networked marketing organization. The strength of the research by Möller and Rajala (1999) is their empirical illustration on how marketing activities have spread among multiple organizational units showing the underlying complexity. Homburg et al. (2000) instead have approached the topic of marketing organization with a more pragmatic approach by listing typical organizational structures and not concentrating on the relationships between different units or the levels of analysis embedded in dispersed organization.

Dispersion of organizations is discussed within the context of MNC research. When studying marketing organizations in the context of industrial MNC, there are several levels and units

of analysis that should be considered. Piercy and Cravens (1995) name these as *enterprise level* decisions such as strategy issues focusing on strategic alliances and networks, *corporate level* decisions such as focusing on divisional marketing responsibilities and group-wide marketing issues, *business level decisions* focusing on the entire marketing department, and *functional level* strategies focusing on marketing subsystems. When working in a multicultural organization, the dispersed nature of the traditional organizational functions seems to be the prevailing practice. Geographically dispersed and internally differentiated subunits of MNC are greatly shaping the global operations of the whole MNC (Birkinshaw and Hood, 1998; Luo, 2005). The functioning of marketing organizations is affected by the *external business environment* (e.g. market and technology uncertainty and specific industry sector factors) as well as *internal factors* divided further into firm-specific factors (e.g. size of the firm and similarity of products and marketing/sales tasks between the BUs) and BU-specific factors (strategic, market and global orientation and customer concentration) (Workman et al., 1998).

Industrial MNCs often have a matrix structure, divided into BUs according to different products or technologies and different market areas (Möller and Rajala, 1999). The dispersion is highlighted at a subsidiary level, where several technologies might be represented. One customer might apply several complementary technologies and thus be in contact with several firm representatives from different BUs, who have their own technology-specific communication agenda. In the literature, a more customer-oriented approach on organizing BUs instead of technology-based organization is suggested (Homburg et al., 2000). For optimal success, MNCs should balance the need to maintain local responsiveness of subsidiaries and the need to corporate-level requirements for global practices (Millman, 1996; Luo, 2001). This has traditionally been described as global integration – local responsiveness paradigm (see Luo, 2001; Luo, 2002). The dilemma confronting the MNC is how to reconcile the global role of the operating divisions with the need for cross-divisional communication and co-ordination at corporate and market area levels (Millman, 1996).

Industrial MNC have been described as internal network between its different organizational units (Holm and Sharma, 2006). The units are interlinked by horizontal linkages between subsidiaries and vertical linkages between each national unit and headquarters (Ghoshal et al., 1994). Also the concept of “differentiated network” is used, stating that not only each individual multinational is a unique, but also each subsidiary within the firm is different and embedded into its own unique business network (Forsgren, 2008, 145). Organizational units develop in interaction with their counterparts, and the development of the whole MNCs is based on this development (see Holm et al., 1995). These developing routes and directions can be inconsistent, which create the need for headquarters coordination of the developments. To control these developments, MNC requires knowledge from its whole global network.

COORDINATION OF MARKETING COMMUNICATIONS

The same debate on global integration and local responsiveness is seen in corporate level marketing communications, where there is a need to manage corporate level marketing communications in a more integrated way to better serve the globally operating customers. The main objectives of marketing communications are increasing sales from the existing customers and obtaining new customers (Hollensen, 2007, 545), and therefore marketing communications is used to persuasively communicate customer value and to build customer relationships (Armstrong and Kotler, 2009, 383). In foreign subsidiaries of an industrial MNC the personal contacts with customers are often the core of marketing communications supported by localized promotional activities. The typical marketing communications mix

consists of promotion tools such as sales promotion, personal selling, public relations, and direct marketing (Armstrong and Kotler, 2009, 383). The content of the communications is driven by the characteristics of the respective business and the market. By nature, marketing tasks are very dependent on the cultural context (Schlegelmilch and Chini, 2003) which is one reason for the dispersion of the marketing organization. Marketing organization is required to create knowledge in their own cultural context, acquire it globally and balance local adaptation and global standardization (Schlegelmilch and Chini, 2003).

Many elements of traditional marketing organization have been shifted closer to customers, and in large corporations, corporate marketing responsibility has been redefined as global brand development and overall marketing communication strategy, whereas traditional marketing activities, such as day-to-day brand management, key account management, product development, pricing and distribution, have been reassigned to the strategic BUs (Webster et al., 2005). These trends are emphasized in industrial MNC, where geographically dispersed subsidiaries deal with their own, diversified customers. The marketing organization serves then as a corporate link between customer and organizational entities, and it is highly dependent on knowledge transfers within the organization, since marketing organization is needed for worldwide value creation in MNCs (Schlegelmilch and Chini, 2003). Managing intra-organizational relationships between different marketing units in industrial MNC is a key prerequisite for the successful management of customer relationships (Möller and Rajala, 1999). In industrial MNC, this debate is closely connected to the management of subsidiaries.

Table 1 summarizes the findings from the literature concerning marketing organization in a MNC context and its implications for marketing communications coordination (a detailed table with references is in Appendix 1). These are further examined with the help of an empirical case study that focuses on marketing communications coordination inside a marketing organization of an industrial MNC.

Table 1. Findings from the marketing organization and MNC research and their implications on marketing communications coordination

Level of examination	Organizational structures	Implications for marketing communications coordination
<i>An industrial technology-based MNC</i>	A matrix structure divided into BUs according to different products or technologies and market areas, facing the global integration – local responsiveness dilemma. Managing linkages between different units is important.	In MNCs marketing communications are carried out on several levels. Geographically dispersed subsidiaries deal with their own diversified customers and localize the marketing communications following the guidelines set by the corporate level.
<i>Marketing organization</i>	Marketing organization is dispersed, its power and level of professionalism has decreased, and many of the traditional marketing tasks are handled by other functions. Corporate level marketing: corporate brand and marketing communication strategy. Several marketing tasks are conducted close to customers, at BUs and national units. Marketing organization links the dispersed units of a MNC and needs information from all different units.	Dispersed marketing organization appears to be weaker, which might create problems for coordinating corporate level marketing communications. The horizontal and vertical linkages are needed between different units and levels in order to coordinate the market area, business area, and corporate level aspects of marketing communications.

RESEARCH METHOD

Qualitative case studies are commonly used in industrial marketing research to theory building (Beverland and Lindgreen, 2010). Also this research is qualitative by nature, because by conducting qualitative business research, the researcher had the opportunity to focus on the complexity of the phenomenon in its own context (Eriksson and Kovalainen, 2008, 3). A holistic, representative single-case study (see Yin, 2009) concerns a globally operating industrial firm delivering complex technology solutions. The firm is organized around technology-based BUs, and relationship marketing is a dominant approach, but also structures for coordinating promotional, more marketing-mix-based, marketing communications are established. The research question is suited for qualitative research methods (Denzin and Lincoln, 2000), as the coordination mechanisms of the marketing organization are explored. The coordination mechanisms are formed of interaction linkages and therefore they are examined through the actors in these linkages. Coordinative mechanisms define how and by whom promotional marketing activities are conducted. The promotional marketing activities different actors perform are explored as well, since they illustrate the outcome of the coordination. The main data consists of 17 semi-structured one-hour interviews (Arksey and Knight, 1999) with managers or coordinators involved in marketing activities. Two interviews are from the headquarter level corporate communications, nine are from the BU level and six from the regional level. Complementary data, such as organization charts and other related firm documentation, was collected to support construct validity (see e.g Yin, 2009) and it was also analyzed and utilized for data triangulation. Also researcher triangulation is utilized as both authors analyzed the coordinative mechanisms from the data separately and then the analyses were compared.

The research problem is answered through abductive logic (Dubois and Gadde, 2002; Perry, 1998), which means that theories and empirical data take turns and together aims to develop the understanding of dispersed marketing organization. First the authors had gotten the chance to explore an industrial MNC and its marketing activities. After that, a preliminary theoretical understanding of the industrial marketing organization through the literature was acquired, after which the data set for the study was collected and the researchers familiarized themselves with the data. After that, theoretical framework was focused on marketing organization dispersion in MNCs. After that, the data was inductively categorized into themes related to marketing organization structures, the firm structure, the actors involved in marketing activities, the perceived challenges and the conducted marcom activities. After that, the data on the categories were reduced and analysed in detailed in order to form an understanding of the marketing organization in the examined firm. In addition, the organizational units, personal connections and the roles of the actors were illustrated based on the data forming a network of interrelated actors. Organizational charts from the examined firm were not utilized as a basis for the illustration. As organizations are multilevel by nature (Klein et al., 1994), and when examining organizational phenomena such as industrial MNC, one is naturally encountered with level issues in the analysis. There was a need so simplify the illustration so that the coordinative mechanisms would be clearly visible, and there level thinking was applied. The illustration was analyzed with the help of the theoretical framework and a simplified illustration (Figure 1) was made. Finally, the empirical findings were compared with the theoretical framework and conclusions were drawn.

THE MARKETING ORGANIZATION AND COORDINATION OF MARKETING COMMUNICATIONS AT A TECHNOLOGY-BASED MNC

The examined MNC is a complex network. Basically it consists of actors at the corporate level, at technology-based BUs, at regional companies, and at local offices. BUs have different customers and different marketing strategies, and their level of promotional marketing communications (marcom) activities also vary greatly. Promotional marcom activities refer for example to advertising in diverse media, exhibitions, brochures, white papers, conference presentations, customer events, newsletters, web-pages, and articles in the field related journals. If put simply, BU1 does business mostly among equipment sales, has numerous local offices around the globe and is active in marcom, whereas BU2 and BU3 are more technology-based, sell broader solutions, manage their global operations largely from one country and are less active in promotional marcom. The BUs 2 and 3 emphasize more personal selling, because the solutions sold are customized and intensive interaction with the customer is needed. BU2 is quite independent because of the nature of the technology, long sales cycles, and its history as a separate company. BU3 gets most support from corporate communications because of the geographical closeness. At regional and local levels multiple technologies can be represented. Regional companies can have several local offices. To simplify the following illustration, local level is included in the regional level, because the findings do not differ between them in any remarkable aspect. For example, the support from corporate communications and from BU level is similar both to regional and local level, and the marcom management is similar on both. Next, the marketing organization and the coordination of marcom in it (see Figure 1) are described in more detail.

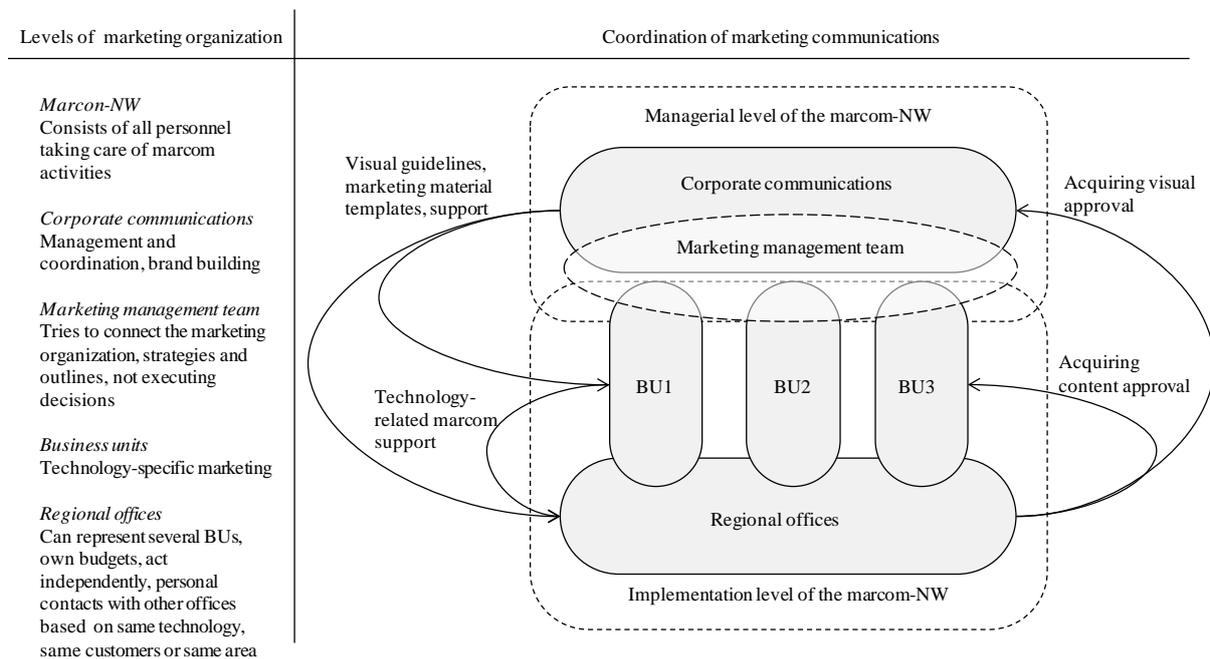


Figure 1. The marketing organization and coordination of marcom in the examined MNC

MARKETING ORGANIZATION AND COMMUNICATIONS AT THE CORPORATE LEVEL

The firm does not have a corporate level marketing department, where the personnel would be devoted to marketing only, but a higher level strategic marketing group, consisting of director responsible for strategic marketing, key persons from corporate communications, and one representative from each BU. The group outlines the marketing strategy and future

directions. *“We develop major policies. I think it works when we all are professionals and give time to that work and do the agreed activities. It is a good forum for [corporate] communications, supports that we get information about what business people want and what the marketing management wants.”* (VP, Corporate Communications). This upper level management team sets the direction for corporate communications and the marketing communications network (marcom-NW) it coordinates in order to take care of the conformity of marcom. The global marcom-NW consists of all personnel taking care of marcom activities and it implements the plans made by the upper marketing management team. The global marcom-NW also consists mainly of part-time markets. Thus, the only existing formal marketing-related department in the firm is the corporate communications. The lack of personnel focusing on marketing was considered one fundamental problem that hinders the development of marketing activities in the firm and undermines the efforts to create coherent marketing communications. *“When you have people that aren't focused on, and aren't marketing minded people (...), they are not considering all aspects. And maybe everything looks clean, but I find often that things will go out in different fonts, and people that aren't emerged in it don't realize how important it is to always have that consistency.”* (Senior Communications Manager, Regional).

The corporate communications department takes care of internal and external corporate level marcom. Corporate communications provide marcom support for BUs, regional and local offices, marcom guidelines and templates, maintain the Internet-based marcom material bank accessible to all marcom personnel, and check all materials done at BUs and regional or local offices that they are in line with the corporate brand and visual guidelines. Production of printed materials is centralized to corporate communications. Marketing activities such as taking part in international exhibitions are coordinated on a corporate level on a yearly basis. The corporate communications level has full-time marketers.

Even though the marcom-NW might sound like an interlinked and cooperative group of people, actually the linkages among the members are loose and mainly follow, quite occasionally, the geographical areas and technology areas, and are dependent on personal contacts. For example, the local marcom person in China asks support from the regional office in Australia, since the same person coordinates marketing communications in Australia and China which are part of the same regional market in the firm organization. The marcom person in Australia is in connection with the corporate communications. A rare example on cooperation between BUs is the Brazil and Chile offices doing marcom together with the Peru office, since they are geographically close and share some customers. A more common practice in the firm is to do marcom cooperation within the limits set by technology, such as the supportive role of the North America office with the Denver and South Africa offices. In addition, there are linkages from the North America regional office to Australia, since the marcom persons have previously worked together. The members rarely meet (not even on a yearly basis), and are even seldom in live contact by phone or via Internet due to the time zone differences. Not all interviewed marcom persons knew about the marcom-NW or the marcom material bank offered by corporate communications, which is meant to be the core of the marcom-NW. Not even the linkage to corporate communications is active from all locations, since some local offices act quite independently or cooperate with marcom people from respective technology or geographical area instead. According to the interviewees the more professional the marcom responsible is, the more likely s/he is to keep a regular contact to the corporate communications.

Hence, even though the aim of the corporate communications department is to enhance the marcom-NW and to create a truly cooperative community of marcom personnel of the whole firm, in reality the pattern of connections between the actors involved in marcom are occasional and clusters can be seen most clearly among the corporate communications department, different BUs and regions. But also the connections from the local level to the corporate communications level are not similarly existent throughout the firm. That implies that the marcom-NW is currently weak in general.

If the technology and area-specific marcom is the main reason for the scattered connections between the BUs and regions, there are several reasons why the connections from the local and regional level to the corporate communications department are weak, the local offices do not want to follow the given marcom guidelines, or they do not utilize the marcom support the corporate communications could offer. *“If they're not following the guidelines, it may be because they simply don't feel like they have time, or they get too rushed and they just go ahead and do something, or maybe they don't know [about the offered support]. Maybe they're not as well educated as they should be.”* (Senior Communications Manager). In addition, some consider the guidelines from corporate communications to restrict creativity or not to fit the local cultural aspects or needs of local customers. This might be a common problem when applying one strategy for diverse global operations, but here this discussion is not expanded, since it serves the purpose to illustrate the experienced challenges as such. Some see the guidelines as time consuming bureaucracy, and some parts of the organization see themselves as more independent and they prefer doing things in their own way (e.g. due to acquisition).

MARKETING ORGANIZATION AND COMMUNICATIONS AT THE BUSINESS UNIT LEVEL

Marcom at the BU level is technology-specific. Depending on the BU, marcom materials are prepared either on BU level, or on a specific technology level (part of a BU) in so called “technology centres”, which can have full-time marketing communications managers. Each BU has a marcom coordinator. At the BU level the marketing and sales managers and technology owners are involved in marcom decisions, and check and approve all marcom materials (mainly concerning the content) and plans prepared by regional or local marketing coordinators or assistants. Hence, if someone needs marcom support (e.g. providing content for marcom materials or expert speakers for conferences and exhibitions) related to certain technology, the support does not come from the corporate communications but from the BU level or from a technology centre, which then cooperate with numerous regional and local offices. The visual check is done by the corporate communications.

Marcom cooperation between BUs are occasional and mainly happen in situations where BUs work with the same technology or in same geographical area – coordinated cooperation between BUs is missing. The main reason for this with few exceptions is the different customer base for each technology offered by distinctive BUs, so it is difficult to think the potential synergies of cooperating in marcom. A regional Vice President of Sales and Marketing, however, discussed the potential benefits. *“We have many businesses which we could develop. Some of our BUs might be strong at one sector (...) but at the other end of the process (...) our role might be minor, our market share extremely poor. (...) If, for example, a customer newsletter would combine different BUs we could gain a lot. Someone interested in [specific] technology could get to know other things as well.”* Technologies are considered so specific, that not only BUs but individual technologies under them appear to have strong identities, which can lead to challenges in building and maintaining a unified corporate level brand. *“...you're talking about the [a BU] area, which is five different sectors of technology,*

mine included, and it seems like every time they're pushing for 'more automation and more automation' or (...) we're ignored, we're ignored' and they're so focused on their sort of high level approach to one technology that they're not thinking about, when we're doing marketing, and when we're standing at a booth, we are one complete company, and we aren't separate. And they've even suggested that we divided up into stations for each technology. And I have to sort of fight that, I have to say no, we can't do that, it would be against corporate policy.” (Senior Communications Manager, Regional). It seems that corporate communications personnel and the upper management perceive the possibilities of cooperating between BUs as better than technology specialists of the firm.

MARKETING ORGANIZATION AND COMMUNICATIONS AT THE REGIONAL LEVEL

Marcom on the regional and local level is both technology- and market-specific, as the offices represent both different technologies and markets. The firm has dozens of local offices and nearly each has now a position for a person responsible for marcom (coordinator or an assistant). The sales and marketing manager or technology owner approves marcom materials. Reporting and budgeting, and therefore also accountability, is region-based. Local offices do not get budget support from the corporate level. Local offices plan their local marcom activities and produce the content for their marcom materials according to the templates and guidelines from the corporate communications, and get (visual) approval for them from the corporate communications. Local offices get marcom support from the corporate communications, from BUs and from technology centres, and in some rare occasions, from each other. Some local offices do cooperation in marcom if they have same customers (same technology or same prospect projects), or they are geographically close and take part for example in same exhibitions. Otherwise local offices do not cooperate, which also means that the marcom-NW is merely a list of people working with marcom than a real network of people who have regular interaction and cooperate. VP of Corporate Communications discussed reasons for this: *“I think it is not that people do not know that the [marketing communications] network exists, but it is because of language barriers, or people are doing it in addition to other duties, and they do not have time, and not always the knowledge to discuss [marcom] matters more broadly, or to do cooperation outside their own office, or own country.”*

SUMMARY OF THE CASE FINDINGS AND THE IDENTIFIED CHALLENGES

The marketing organization of the examined MNC can be described as a dispersed group of part-time marketers in local and regional offices coordinated by guidelines from the corporate communications. In general, only the visual guidelines and the corporate brand message were centrally managed, whereas dispersion in the marketing organization is caused by different technologies and geographical areas. On the other hand, technology-based BUs and regional areas were other identified levels of marcom coordination. Even though different technologies and customer bases required dispersion of marketing organization and marcom activities, there were several levels of coordinative mechanisms, and in addition a company-wide coordination in order to support the global corporate brand due to global customers.

It is paradoxical that the diverse businesses and globally scattered operations create the need for the dispersion of the marketing organization, and at the same time for centralized marketing organization. That is also the origin of multiple identified challenges. Several interviewees perceived that the level of professionalism working in marcom must be increased in order to enhance the corporate level marcom. The part-time marketers indeed need the corporate level support from marketing professionals. As the professional marketers are centred in corporate communications and they are overwhelmed, the local offices which

do ask for support do not always get timely responses. That puts the uniformity of marcom at risk.

The professional middle level marketing management is missing from the examined MNC. Sales and marketing managers represent now the middle level in the firm but most of them are technology-focused part-time marketers, who consider promotional marketing activities secondary to relationship marketing. They usually are not that interested in marcom. Perhaps therefore many of the interviewed sales managers did not identify any marcom problems. Instead, people in corporate communications and marcom coordinators at different levels, who implement the promotional marcom activities, perceived several challenges. As the professional middle-level is missing, the whole picture of marketing organization and marcom activities is at the hands of the corporate communications department. This is illustrated also in Figure 1, where the connection from regional level to the corporate level is light. The regional and local offices do not have the motivation to participate in developing corporate level marketing as they are currently accountable only at the local level and they do not get budget support from the corporate level. Corporate communications have had difficulties in collecting information from local offices about their marcom activities and plans, and therefore even the corporate level sees poorly the broader picture of global marcom.

When marketing is not considered as a core activity, it leads to the situation where the marketing professionalism is weak and it is difficult to develop and drive unified marcom, because the corporate communications department lacks the power to make that happen. As such, marketing communications network is currently a group of loosely connected marcom personnel who have differing views on what is marcom, its importance, and how it should be developed. The main difference is that on the management team considers coherence of marketing communications to be crucial and sees the marketing communications network to be the right tool to achieve that. On the lower levels, where the marcom activities are implemented, the perception is that the marketing communications network is mainly a tool on the Internet, which still lacks the power to create cooperation and common aims among the persons that are members of it. Personal contacts depending on the technology sold and the geographical area are more important for marcom cooperation. At the BU level the technology dictates how and what marcom activities are carried out. The means for coordinating corporate level marketing communications exist but have not been successfully implemented. Some interviewees consider the marcom network currently as too weak to establish and maintain a unified corporate brand.

CONCLUSIONS

This study explored how corporate level marketing communications can be coordinated in a dispersed marketing organization. Even though the trend might be towards decentralized marketing organizations, and some even argue that the marketing function is disappearing (e.g. Doyle, 1995; Webster et al., 2005; Verhoef and Leeflang, 2009), centralized and decentralized marketing organization solutions are coexisting, because both of them are needed, at least in industrial MNCs with one corporate brand. Based on the topical literature review and a case study, it seems that corporate communications have an important role in marketing communications coordination, as implied earlier by Möller and Rajala (1999). In addition to personal contacts from corporate communications level to BU level, to technology level, and to regional level marketing communications personnel, Internet-based tools and occasional meetings can be utilized to increase the togetherness and cooperation between the

dispersed marketing personnel. Corporate communications manage visual cohesiveness of marketing communications, partly keep track of international and locally planned and implemented major marketing activities, and offer support for marketing personnel at different levels. BU level manages the technical content of marketing communications in the respective technology area and supported local level at these matters. At the regional level sales managers and technology owners have a great impact on marketing communications decisions, and that is the level the marketing communications budgets and reporting are done.

However, several challenges were identified in relation to this kind of marketing organization. In short, the corporate brand and operating globally with global customers set the need for coordinating marketing communications, but for several reasons discussed above the marketing organization is not strong enough to support the uniform brand and marketing communications, or to bring forward the importance of marketing for the firm in general.

This study contributes to research in industrial marketing organization. Especially the ideas and notions by Möller and Rajala (1999) and the related studies (e.g. Harris and Ogbonna, 2003; Homburg et al., 2000; Webster, 2005) are taken one-step further by identifying the implied role of corporate communications and the different levels where marketing activities are carried out in an industrial, technology-based MNC. Different levels of a marketing organization have been previously discussed (e.g. Piercy and Cravens, 1995), but by examining marketing communications coordination this study is able to show the ways how coordination can be organized between the levels and the possible challenges. In addition, multi-level empirical enquiries on marketing organization, as done here, are scarce. This study followed the proposition for more contextual research on marketing organization (e.g. Ivens et al., 2007).

Our findings support Pardo and Ivens (2008) who state that in business marketing organizations there is still room for both strategic and operational marketing. Corporate level marketing co-exists with BU and regional level marketing. These levels are linked together and coordinated for example by network structures. In the network the linkages between individuals are based on cooperation and support between close market areas, same technology area, same customers, or support and control between corporate and local levels. These findings are in line Ghoshal et al. (1994), who described the linkages inside a MNC, and with Piercy and Cravens (1995), who described the different levels of marketing in an organization. Also the findings by e.g. Verhoef and Leeflang (2009), Webster et al. (2005) and Webster (1992) concerning the dispersion of marketing competence across organization and the diminished influence of marketing department are supported.

For marketing managers this study provides ways to understand the complexity embedded in marketing organizations in global industrial firms based on BU driven matrix structures, and how to handle the paradox of needing both dispersed and coordinated marketing organization solutions. The findings of this study can help to identify and analyze the causes and effects of the perceived challenges of respective marketing organizations. The BUs have a great impact on how the marketing is to be organized, but their role should be carefully considered especially if a MNC operates under one brand. The challenge of a MNC, which has BUs based on different technologies with different customer bases, is to motivate and to bring forward the benefits of unified corporate level marketing agenda. Another challenge then is that the dispersed marketing organization might lack the power to drive the agenda of unified marcom into action. The potential threat is that in a weak and dispersed marketing

organization the full picture of marketing is eventually seen, and is a concern of, only by a very limited group of corporate level people.

The main data consist of 17 interviews done inside a dispersed MNC, and it is possible that it does not illustrate all the coordinative mechanisms and informal connections inside the organization. However, as the objective in this research was not to describe individual contacts in detail, we believe that existing data reveals the main levels and coordination mechanisms involved in the internal marketing network. In order to support the external validity of this single-case study, the theoretical framework was carefully built and the findings were reflected against the existing body of knowledge (see Yin, 2009). However, the findings are best applied in the context of industrial technology-based MNCs operating globally under one brand. Reliability of the study was aimed to enhance by developing a case study database and following a case study protocol during data collection, as suggested by Yin (2009). Pattern matching between the data and the theory and researcher triangulation were utilized in order to support internal validity during data analysis (see Gibbert et al., 2008).

In this research the focus was on coordination of promotional marketing communications in an MNC. Therefore, we did not include in-depth discussion on customer relationship development or specific relationship marketing activities. However, the coordination of such activities in an MNC and how they support or harm the unified corporate level marketing communications could offer a topic for further research. This study supports the view that on one hand, the position of the corporate communications department has strengthened, but on the other hand, the variety of marketing issues under its control is limited. However, this needs further empirical inquiries, because following the notion by Forsgren (2008, 145), each MNC is unique. Therefore more empirically-based research on the marketing organization and coordination of marketing activities in MNCs is needed in order to better understand the current reality of globally operating firms and, on the other hand, to contribute to an up-to-date picture of the debated role of marketing in general.

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Appendix 1.

Table 2. Findings from the marketing organization and MNC research and their implications on marketing communications coordination

Level of examination	Organizational structures	Related problems	Proposed solutions
<i>An industrial technology-based MNC</i>	A matrix structure divided into BUs according to different products/technologies and market areas (Möller and Rajala, 1999). Horizontal linkages between subsidiaries and vertical linkages between national units and headquarters (Ghoshal et al., 1994). Each subsidiary embedded into its own unique business network (Forsgren, 2008, 145).	Global integration – local responsiveness paradigm (Luo, 2001; Luo, 2002; Millman, 1996). Development of the MNC is based on developments of organizational units which happens in interaction with their counterparts, (Holm et al., 1995).	Customer-oriented approach on organizing BUs instead of technology-based organization (Homburg et al., 2000).
<i>Marketing organization</i>	Different levels of marketing in an organization: enterprise level, corporate level, business level, and functional level (Piercy and Cravens, 1995). Marketing organization dispersed and the activities traditionally managed by marketing now handled by other functional groups (e.g. Verhoef and Leeflang, 2009; Webster et al., 2005; Webster 1992). In MNCs marketing functions serve as a corporate link between organizational entities and customers, and therefore they are dependent on knowledge transfers within the organization (Schlegelmilch and Chini, 2003). The functioning of marketing organization is affected by external business environment, firm-specific factors, and BU-specific factors (Workman et al., 1998). The decision influence of marketing department has been limited to advertising, relationship management, segmentation, targeting, and positioning (Verhoef and Leeflang, 2009). In large corporations corporate marketing responsibilities are global brand development and overall marketing communication strategy,	The influence and significance of corporate marketing department has decreased, and therefore marketing competence and professionalism, and new business development can become “no man’s land” (Webster et al., 2005). Balancing between local adaptation and global standardization (Schlegelmilch and Chini, 2003).	Managing intra-organizational relationships between different marketing units of a MNC needed for the successful management of customer relationships (Möller and Rajala, 1999). Administrative and managerial mechanisms for marketing strategies in network structures, determining location and control of the customer interface management, developing information systems to monitor markets and customers, and creating processes to maintain marketing influence (Piercy and Cravens, 1995).

	and day-to-day brand management, key account management, product development, market research, channel management, marketing strategy, pricing and distribution are reassigned to strategic BUs (Webster et al., 2005).		
<i>Implications for the coordination of marketing communications</i>	In MNCs marketing communications are carried out on several levels. Geographically dispersed subsidiaries deal with their own diversified customers and localize the marketing communications following the guidelines set by the corporate level.	Dispersed marketing organization appears to be weaker, which might create problems for coordinating corporate level marketing communications.	The horizontal and vertical linkages are needed between different units and levels in order to coordinate the market area, business area, and corporate level aspects of marketing communications.