Research on the Model of Grid Marketing Organization

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Abstract—The paper, referencing the idea of collaboration and share of Grid, aiming at the limitations of organization structure in traditional marketing model, put forward the concept of Grid Marketing and Grid Marketing Organization. Based on the analysis of the organization structure’s trend in new marketing environment, combing with the guiding idea of Grid Marketing Organization’s construction, this article designed the organization model which matched with the model of Grid Marketing, and discussed the dynamic mechanism and management issues when the Grid Marketing Organization was in the process of operation.

Keywords—Grid Management; Grid Marketing Organization; Grid Marketing Team; dynamic mechanism

I. INTRODUCTION

Traditional organization is the stable structure which has professional division of labor, based on the functions division in mass marketing environment. It consists of fixed staffs, has fixed work place, provides professional service, takes fixed functions, and makes great contribution to the marketing activities in enterprises. However, with the advent of knowledge economy, the spread of information is faster, individual need is richer and the marketing environment is always changing. The characteristics of traditional organization, such as function specialization and hierarchical administrative structure, have delayed the response speed to the market demands, so the enterprises are difficult to adapt the external competition of developing rapidly and always changing. Therefore, breaking the traditional hierarchical and fragmented organization pattern, searching for a organization structure which responses to market quickly and meets customer demands to adapt to new market changes and competition has positive significance.

II. CONCEPT OF GRID MARKETING AND GRID MARKETING ORGANIZATION

A. Concept and Content of Grid Marketing

Grid are originally different cells which are divided by natural or administrative demarcation line and geographical coordinates [1]. However, the research of Grid in compute has given it a different meaning in recent years. Compute Grid is that integrates high-speed Internet, high-performance computer, sensor, remote device and database, achieves a comprehensive share of computing resources, information resources, knowledge resources, communication resources, software resources etc [2]. It can share resource and solve problem collaboratively among virtual organizations of dynamic changing [3]. Its essence is collaborating and sharing services, improving service quality and resource utilization [4]. Learning the advanced concept of Grid technology, the areas of electronic commerce, finance, urban management and planning have created the model of Grid Marketing in practice [5].

Grid Marketing is that the marketing subject cuts the target market into several grid units. According to certain standards, oriented by task, Grid Marketing builds information platform of resource sharing, coordinates department functions, integrates marketing resources, achieves the allocation and control of resources rapidly and rationally, provides fast, accurate and high quality service to clients to respond to market changes better by establishing a virtual and dynamic marketing organization. The marketing unit divided by standards is the Marketing Grid, which is the basic unit of resource allocation and business collaboration. The process of integrating resources and sharing information is Grid Platform, which is a control process of resource allocation and business collaboration. Therefore, the Grid Marketing essentially is a dynamic management process which the Grid platform acts on the Marketing Grid, with the core concepts of positioning accurately, sharing resources and optimizing processes. Shown as figure 1.
B. Concept and Characteristics of Grid Marketing Organization

Organization is the important structure to achieve marketing objectives and tasks. Different marketing model has different marketing organization structure. Grid Marketing Organization, as an important part of Grid Marketing model, built on the basis of traditional marketing structure, is different from the traditional marketing organization. It does not break the existing hierarchy structure, focuses on customer, and was oriented by tasks. Grid Organization, using virtual structure, dynamically exists in enterprise, to better adapt to changing needs rapidly, provide efficient and accurate products and services.

According to the concept of Grid Marketing Organization, it has the following characteristics:

1) Grid marketing organization is designed based on the idea of Grid Marketing, which matches the model of Grid Marketing;

2) Grid marketing organization is a virtual organization structure, which focuses on customer, is oriented by tasks and can adapt to market changes quickly;

3) Grid Marketing Organization structure changes with changes of Marketing Grid. It is dynamic;

4) Grid Marketing Team is the operating carrier of Grid Marketing Organization, is the basic unit achieving to the model of Grid Marketing.

III. DESIGN OF GRID MARKETING ORGANIZATION

A. Trends of organization structure

With the changing of marketing environment and using of information technology and tools widely, new marketing models, such as virtual marketing, network marketing, integrated marketing have come out, which led to the organization structure of enterprise has begun to break the pyramid hierarchical structure of traditional organization, showing the trends of flat [6], team [7], network, virtualization and flexibility. By reducing levels and redundant staffs, flat organization structure makes the organization lightweight and streamlined, thus can save the cost of enterprise management, reduce the processes of information transmission, and improve the efficiency of communication and coordination. Team organization, oriented by tasks, the composition and dissolution is flexible, which can integrate the advance abilities and resources of staffs to complete complex tasks and adapt to changing environment. Network organization strengthens internal communication and horizontal linkages to reduce the constraints of command chain, helping to improve the work efficiency. Virtual organization structure weakens the effect of physical organization, eliminates the space constraints when employees are working, helps to streamline the business scale, and maximize the use of enterprise resources. Flexible organization adjusts the internal structure continuously to increase adaptabilities to the changing market and maintain the competitiveness of enterprises. In short, the trends of organization structure in new marketing environment meet customer demands better, response to the rapid changes more timely.

B. Guiding idea of Grid Marketing Organization

Organization serves to the enterprise activities. The core of Grid Marketing model is providing better serve to customer through positioning accurately, sharing resources and optimizing processes. For suiting to the Grid Marketing model, the guiding idea of Grid Marketing Organization should be consistent with the idea of Grid Marketing model.

The traditional organization structure takes the standard of specialization, and all functions do not consider the customer needs. Process theory breaking the profession restrictions, starting from customer needs, objecting for business processes, redesigns and reconstruction the existing processes according to corporate clients and business. These will be able to form a team whose members from different functions but have the same mission and goal, working hard for creating customer value jointly [8]. Process theory, which considers the creation of customer value as the guiding idea of organization design, is coincide with the idea of Grid Marketing, and can share...
internal resources, collaborate business, and optimist processes to achieve win-win interests between enterprise and customer. Therefore, Process theory is the guiding idea of Grid Marketing Organization. Shown as figure 2.

C. Structure of Grid Marketing Organization

According to the trends and characteristics of enterprises organization structure in new marketing environment, combing with the guiding idea of Grid Marketing model and Grid Marketing Organization, the paper believes that the structure of Grid Marketing Organization should be a network team which services to Marketing Grid and centers by process. Shown as figure 3.

Without changing the original hierarchical structure, Grid Marketing Organization is the organization structure matching with in the Grid Marketing model in new marketing environment. The Grid Marketing team which serves to the same Marketing Grid is the basic unit. The team includes all the necessary processes needed by the tasks and many staffs coming from different departments. The combination of Grid Marketing teams constitutes the enterprise Grid Marketing Organization.

Grid Marketing Organization reduces the level of the organization, takes serving to all Marketing Grid as its tasks and makes business processes as its core. It breaks the
function boundaries, establishes task-oriented team, so that the entire organization structure is shown as network. With the changing of the Marketing Grid, the Grid Marketing team changes, which reflects virtual and flexible of organization structure. At the same time, the Grid Marketing Team built by tasks of Marketing Grid and advantages of process and staff, meets the idea of Grid Marketing model, which is positioning accurately, sharing resources and optimizing processes. In a word, the Grid Marketing Organizations not only reflects the dynamic marketing environment, which helps enterprises respond to dynamic external environment quickly, but also agrees with the idea of Grid Marketing model, which helps the promotion and application of Grid Marketing model in enterprise.

IV. RUNNING OF GRID MARKETING ORGANIZATION

A. Dynamic mechanism of Grid Marketing Organization

Grid Marketing Team, as the basic unit of Grid Marketing Organization structure, its running decides the efficient of all the organization. As Grid Marketing Team is a virtual organization which has no unified office, no constraints of rigid system and no administrative relationship, it is difficult to ensure the operation without dynamic mechanism. According to the characteristics of virtual organization, Grid Marketing Organization is between hierarchical organization and markets. In order to achieve the organization goal, the Grid Marketing Team must ensure the balance of rigid organization structure and flexible management, the balance of whole interests and part interests, the balance of organization goals and individual goals, and introduce market mechanisms into Grid Marketing Team, which is the members who join in the Grid Marketing Team and involve in grid operation can receive some benefits. Through introducing performance incentives within organization, the members who participate in Grid Marketing Team return higher than before, which increases the attention and enthusiasm to Grid Marketing among members.

Members of Grid Marketing Team are paid mainly by the speed of business growth and the quality of service. According to these two indicators, the value of Marketing Grid can be assessed and divided into four classes, that is: business-growth grid, service grid, high-value grid and low-value grid. Shown as figure 4.

![Figure 4. Classification value of Marketing Grid](image)

Team members servicing to different grids get paid from different ways. Business-growth grid is that the grid market has large developing room, and customer development is its main task. Therefore, members servicing to this grid should deduct a percentage, that is, when developing new customers, the Grid Marketing Team should be given a certain commission as reward. For service grid, which new customer relatively fewer, members maintain the customer relationship mainly by providing quality services. In connection with this grid marketing team, enterprise can set up the prize fund, and team members can receive benefits according to the service frequency and quality. For high-value grid and low-value grid, which business growth and service levels are either high or low, enterprise can also use business commission system and incentive fund system to encourage team members. In short, the interests that the Grid Marketing Team gains, should be based on the characteristics of Marketing Grid to which it services. Dynamic mechanism of Grid Marketing Organization ensure all members can be paid by participating in the grid, and ensure the operation of Grid Marketing organization and Grid Marketing model.

B. Management of Grid Marketing Organization

Grid Marketing Team is made up by members from different departments, lacking of rigidity system and structure. Therefore, enterprise must manage the Grid Marketing Team in order to ensure the efficient operation of Grid Marketing Organization.

1) Clear work objectives of organization: In Grid Marketing Team, common target is the basis of collaboration between members. Each Grid Marketing Team faces different Marketing Grid, thus its objective was also different. Only the Grid Marketing Team analyzes the Marketing Grid deeply, clears its marketing missions and goals and communicates to the members, it can ensure the effectiveness of organization.
Therefore, when the Grid Marketing Team is established, enterprise should strengthen the understanding and recognition of work goal among members, and coordinate the different between members and organization, to avoid conflicts that affect the efficiency of organization.

2) Change role of organization members: Grid Marketing Organization is a marketing team combining with departments’ members for common goals, so the members have no administrative affiliation between each other. Therefore, the work environment of equality and openness within the team is particularly important. For common goals, organization should encourage members to change from the role of "the managed" to the role of "self management", and actively take part in Grid management and policy, maximizing the potential of all members.

3) Build trust between members: Trust is the link connecting team members, is the key to create unity and effective organization. Grid marketing organization as a virtual marketing organization, work performance has a great relationship with trust and cooperation among team members. Different from traditional organization, Grid Marketing Organization has no uniform and fixed offices, and can hardly build trust between each other in long-term contacts. This requires Grid Marketing Team members focus on cultivating the loyalty, building team cohesion in the course of the working.

4) Establish effective incentive and restraint mechanisms: Incentive and restraint is the core of member management. Incentive improves employee’s loyalty from positive perspective, while restraint puts the acts which break the operation of organization an end from negative perspective. As the Grid Marketing Organization members are from the various departments or agencies, they have not worked together before, did not know each other better. To ensure the organization’s ongoing and highly efficient operation, enterprise must establish effective incentive and restraint mechanisms to avoid the moral hazard of members and create a positive team atmosphere. On the one hand, organization should clear rights, obligations and breaches of members by strict contract to bind the act of members; On the other hand, organization can design incentives according to actual situation, such as flexible working hours, non-fixed work place, award ceremony rewards and so on.

5) Ensure effective communication within the team: Smooth information within the team is the basis ensuring the normal operation of Grid Marketing Organization. Only the full and effective communication can prevent the occlusion of information. Thus, Grid Marketing Organizations should provide the convenient platform and tool for members’ communication in the operation to enable members to quickly integrate with the organization. For example, use mobile phone, email, video conference and other tools within the Grid Marketing Team to achieve timely and effective communication. Through weekly meetings, work reports, seminars to achieve stable and sustained communication.

In short, the Grid Marketing Team should be the basic management unit of Grid Marketing Organizations. Organization should clear its work goal when built up, and implement it to every detail of the process of organization to ensure efficient operation of Grid Marketing Organization, supporting the model of Grid Marketing.

V. CONCLUSION

The core of Grid Marketing is servicing to customer better through accurate positioning, resources sharing and processes optimization, which can avoid the defects of separating departments, poor communication, and lagging response of traditional organization structure. Grid Marketing Organization integrates the organization structure features of flat, team, network, virtualization, flexible under new marketing environment. Grid Marketing Organization makes process theory as its guiding ideology, makes Grid Marketing Team serving at Marketing Grid as its basic unit. According to the characteristics of different Marketing Grid, Grid Marketing Organization takes different pay incentives to different teams and standardizes management to ensure the normal operation of Grid Marketing Organization.

REFERENCES