Business Efficiency

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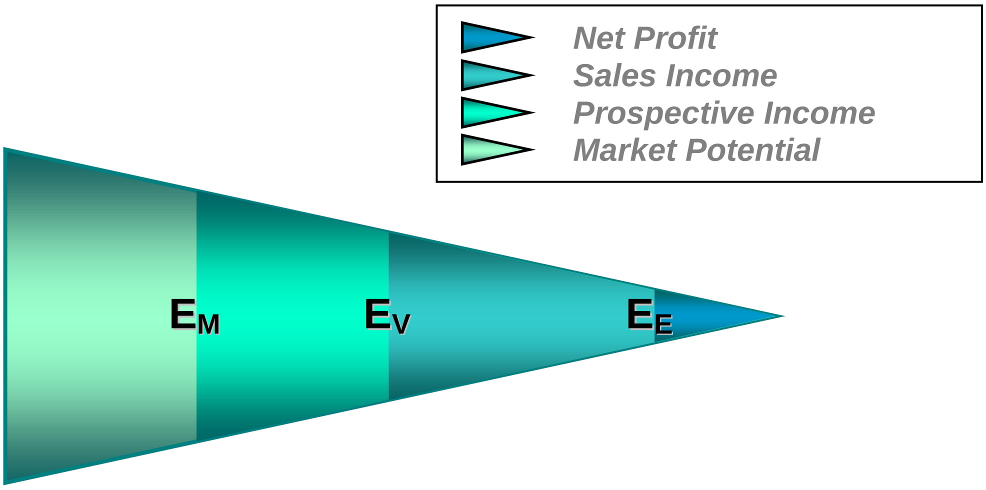
Market-Ing

The Efficiency concept has been widely used in the scientific field to measure the utilization yield of available resources. In the business world, the new market conditions demand that individuals and corporations develop together new competences, with a systematic application of Efficient Practices that contribute to attain satisfactory results.

Some business specialists make a distinction between “Efficiency” and “Effectiveness”. For instance, Peter Drucker defines “Efficiency” as “doing things right” and “Effectiveness” as “doing the right thing”. On the other hand, The ISO 9000 Norm defines "Efficiency" as "relationship between the result achieved and the resources used" and "Efficacy" as "extent to which planned activities are realized and planned results achieved". In the Market-Ing methodology for business development, both concepts have been integrated under the “Efficiency” term, searching for optimizing the overall process through a "Combined Efficiency" made up from the key three areas of the business process: Marketing, Sales and Corporate Strategy.



E_M = Marketing Efficiency

E_V = Sales Efficiency

E_E = Corporate Strategy Efficiency

Net Profit = Market Potential x E_M x E_V x E_E

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- Marketing Efficiency.

Marketing Efficiency- fraction of the potential market yielding to real business prospects- can be significantly improved through the application of some basic solutions:

- Market analysis.
- Commercial control systems.
- Strategic data bases.
- Corporate web page.
- Company brochure.
- Corporate presentations.
- Advertising.
- Expositions and seminars.
- Technical information modules.
- Marketing channels.

- Sales Efficiency.

Sales Efficiency- fraction of the prospective income yielding to actual revenues- is improved dramatically by applying sales tools, such as:

- Sales process.
- Commercial organization.
- Negotiation techniques.
- Customers data base.
- Product catalog.
- Sales control system.
- Technical proposals.
- Commercial proposals.
- Proposals presentation.
- Customers retention strategies.

- Corporate Strategy Efficiency.

Corporate Strategy is the keystone for the success or failure in any company. The corporate tools allow setting the course to maximize the Corporate Strategy Efficiency- fraction of the actual sales revenues yielding to net profit for the company:

- Values/Vision/Mission.
- Business portfolio.
- Process Engineering.
- Corporate control systems.
- Competitive advantage.
- Production costs.
- Price strategies.
- Profitability analysis.
- Financial decisions.
- Strategic planning.
- Strategic alliances.
- Knowledge management.
- Human capital development.
- Continuous improvement and innovation.
- Quality systems.
- Manufacturing systems.
- Purchasing and logistics.
- Information technologies.