

Innovative Marketing in Algerian Business Organizations -Case Study-

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Abstract:

This research paper aims to study the reality of innovative marketing in Algerian business organizations, focusing on Condor for home appliances and electronics, to understand the contribution of the innovative process to the marketing mix concerning product, price, distribution, and promotion.

Innovative marketing represents a crucial part of marketing practices that provides consumers with products capable of better satisfying their needs compared to competitors, through the introduction of new ideas and their application across all elements of the marketing mix.

Based on the above, the organization "Condor" continuously and confidently works on innovating products and offering new marketing propositions that enable it to remain competitive.

Keywords: Innovative Marketing; Promotional Innovation; Pricing Innovation; Distribution Innovation; Product Innovation.

1. INTRODUCTION

The apparent competition among modern institutions shows that market share and sales translate the organization's position among its competitors. However, the reality of superiority and distinction stems from the inputs of the organization, not its outputs, whether they are material or immaterial resources. Material resources relate to raw materials, while immaterial resources include management systems, with innovation being one of the latest. Various organizations strive to embrace and implement

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various innovations, including marketing innovations that encompass innovations in goods and services, their pricing, distribution, and promotion.

The intensification of global competition has forced organizations to adopt new strategies that allow them to respond flexibly and quickly to their competitive environment. Most of these strategies are based on modern marketing thinking, which works to meet the needs and desires of consumers efficiently and effectively. In light of growing challenges, organizations have gradually begun to recognize the importance of innovation and its role as a systematic organized activity in achieving their goals, as it is considered a key to their success. Thus, innovative marketing has become one of the most important pillars that organizations rely on in their strategic programs.

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Study problem: From what has been mentioned, the problem of the study can be presented as follows: What is the reality of innovative marketing in the Condor organization?

From this main question, several sub-questions arise as follows:

- Is there innovation in pricing and pricing policy in the "Condor" organization?
- Is there innovation in the services and products offered?
- Is there innovation in promotion and communication policy in the "Condor" organization?
- Is there innovation in distribution and its channels in the "Condor" organization?

Hypotheses of the study: This study is based on the following hypotheses:

- There is innovation in pricing and pricing policy in the "Condor" organization.
- There is innovation in the products offered.
- There is innovation in promotion in the "Condor" organization.

- There is innovation in distribution and its channels in the "Condor" organization.

2. Theoretical Framework of the Study:

2.1 Concept of Innovation:

Masaru Ibuka, founder of Sony, stated that the secret to the success of Japanese institutions lies in their not imitating any other organization; everything they do and produce is new and innovative. Consequently, Sony launches over a thousand new products every year, 800 of which are developments of existing products, and 200 are new products entering the market for the first time. Thus, Sony occupies the first position among electronic device users worldwide. (James, 2015)

The concept of innovation has garnered the attention of many management writers in recent years, undoubtedly due to the importance of the topic as a complex phenomenon with multiple dimensions. It may sometimes overlap with other terms such as creativity and invention, and some might translate the term "innovation" to "creativity". (Mustafa, 1984, p. 256)

Innovation is the achievement of something new starting from the idea to its actual embodiment, or it is the change achieved, whether partial or complete, or related to the design of a product or part of it, or a procedure in organizational methods. (Christian, 2003, p. 126)

According to Marie Debourg, innovation is the commercial application of an invention, giving the example of laser technology as an invention, while laser discs are a commercial application of the laser invention. Based on this perspective, innovation can be expressed by the following equation: (Marie, 2004, p. 164)

$$\text{Innovation} = \text{Invention} + \text{Commercial Application.}$$

2.2 Creativity and Innovation:

Reaching innovative ideas is called creativity, while turning these ideas into beneficial reality is called innovation (Ahmed, 2001, p. 572). Therefore, some define the relationship between creativity and innovation by stating that creativity is the foundation of innovation. In this context, "Amabile" defined the relationship between creativity and innovation by stating that "every innovation begins with creative ideas, which come from individuals and teams and serve as the starting point for innovation; the former is necessary but not sufficient." (Amabile, 1996, p. 1154) This definition indicates a complementary relationship between creativity and innovation, meaning there will be no innovation without the presence of creative ideas, which begin at the level of innovative individuals and work

teams. Their existence is a necessary but insufficient condition; in other words, creative ideas can only arise from innovative individuals and teams, as they are the foundation of the creative process and their presence is essential for innovation.

Some of the most important definitions and applications related to innovation in general include: (Zubair & Saadia, 2015, p. 947)

- Innovation represents distinction: Bringing something different from others.
- Innovation represents novelty: Introducing something entirely or partially new compared to the existing state.
- Innovation is a new combination: Placing previously known things in a new combination within the same field or transferring them to another field where they have not been used before.
- Innovation is being the first mover: Being the first to reach the new compared to others.
- Innovation is the ability to discover opportunities: The ability to discover and seize opportunities.

Innovation is important because it: (Ahmed, Managing People: Principles and Skills, 2002, p. 260)

- Develops and accumulates personal skills in thinking and group interaction through brainstorming teams.
- Enhances the quality of decisions made to address problems at the organizational level or within its sectors and departments, across various fields such as technical, financial, marketing, and social work environments.
- Improves product quality.
- Helps reduce the time between introducing one new product and another, contributing to the organization's competitiveness in terms of time.
- Creates and enhances the organization's competitive ability and finds ways to activate and increase sales volume.
- Helps create and enhance a good image of the organization among its customers.

2.3 Concept of Marketing Innovation:

Marketing innovation is defined as "introducing new or unconventional ideas into marketing practices," (Naeem, 2003, p. 4) meaning that any marketing innovation stems from a new idea and does not stop at

merely generating a new idea but extends to applying this idea practically. It is also defined as "the successful exploitation of new ideas." (Naeem, 2003, p. 4)

Its goal is to satisfy consumers better than competitors by skillfully identifying and meeting their needs while aligning them with the organization's capabilities.

Halpern views innovative marketing as "a process of finding new means through which the organization can market itself to existing and potential customers, facilitating its entry into new markets". (Margaret & Garry, 2011, p. 52)

Innovation marketing encompasses all marketing methods or practices intended for an innovation environment. It includes marketing activities within the innovation process. This includes, among other things, research on consumer needs, consumer testing, or the sale of new products. (Setex Société, 2022)

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Marketing innovation affects all activities related to directing the product from the manufacturer to the end user (Jean, 1993, p. 281). Marketing innovation, from a marketing perspective, is less risky and more effective, but it is also easily imitated by competitors. (Jean, Strategic and Operational Marketing, 2005, p. 120)

2.4 The importance of innovative marketing

We can summarize the importance of innovative marketing as follows:

- ✓ Enhancing competitiveness among companies, as each strives to offer something new.
- ✓ Increasing company profits and boosting the country's economy.
- ✓ Retaining current customers while attracting new ones.
- ✓ Achieving competitive advantages that lead to positive results for the organization, such as increasing its market share.
- ✓ Satisfying customer individual needs. (Joe, 2023, p. 3)
- ✓ Improving the standard of living.
- ✓ Providing foreign currency that countries, especially developing ones, need.
- ✓ Enabling the country to face competition in international markets.

2.5 Different Types of Marketing Innovation:

Marketing innovation has varied and diversified types, and we can mention the most important ones related to the marketing mix as follows:

- **Product/Service Innovation:** The product is the heart of the marketing strategy, and the failure of a product to meet consumer needs and desires cannot be compensated by any marketing effort in other elements of the marketing mix. (Tawfiq, 2004, p. 219) The role of new product innovation in achieving stability and growth for organizations is significant. The motto that organizations should keep in mind is "innovate or die," emphasizing that organizations that do not focus on planning new product innovations will find it difficult to succeed, survive, and grow. (Abdul, p. 104)

A new product is anything that can be changed, added, improved, or developed regarding the specifications and characteristics of the product, whether tangible or intangible, or the accompanying services that satisfy current or anticipated customer needs in targeted market sectors. (Mamoun & Suhair, 2004, p. 94)

- **Pricing Innovation:** Pricing innovation can be determined based on demand elasticity, costs, or competitor prices and their reactions. Although the goal of pricing is to generate greater revenue than costs. (Attallah, 2005, p. 77)

- **Promotional Innovation:** Innovation in promotion is "the organization's ability to innovate in direct and indirect communication with consumers through advertising, personal communication, and sales activation to inform them about the organization's product and attempt to convince them that it meets their needs and desires through new and innovative uses." (Najha, 2006, p. 61) It is also defined as "finding new ideas, new methods, and new means to inform the public about the organization's product or service for the purpose of purchase." (Najha, 2006, p. 62)

- **Distribution Innovation:** Innovation in distribution is defined as "constantly finding and seeking new methods and ways of distributing products or services." (Ali, p. 4) Having a distribution innovation system is extremely important for any organization to enable it to make its products available to consumers to meet their needs. The importance of distribution innovation is highlighted by determining how to reach target markets innovatively. The primary goal of the distribution strategy is to deliver the service efficiently and effectively at the right time and place. With the increasing importance of this goal and heightened competition, new types of distribution innovations have emerged, including customer service, the internet; call centers, instant delivery, and marketing relationships: (Hani, 2002, p. 271)

- **Customer Service:** Considered an additional service accompanying the core product, where in the service world, it becomes part of the delivery and distribution task.
- **The Internet:** The internet has become a function of communication and distribution, radically changing communication and distribution patterns. Customer presence is no longer necessary at the location where the service is provided. For example, a customer can rely on electronic top-ups for mobile phone services without visiting a sales point through the institution's websites. Providing services via the internet means dispensing with intermediaries and distributors, making remote marketing a reality for most products.
- **Call Center:** A department within the organization responsible for receiving and sending calls via telephone and ensuring direct communication between the organization and its customers effectively, providing information and solving customer problems while maintaining relationships with them.
- **Instant Delivery of Services:** To implement this distribution, it is essential to adhere to the deadlines given to the customer. Late delivery leads to longer waiting times, increased costs, and a negative impression of the organization and its service.
- **Marketing Relationships:** Aims to build a continuous relationship between the supplier and the customer, allowing for customer retention, as a long-term relationship with customers increases loyalty and the organization's interest in improving the quality of service or distribution during the delivery process.

3. The Practical Framework of the Study:

3.1 Introduction to the Organization:

Condor Electronics and Home Appliances is considered one of the leading organizations in Algerian businesses. The organization has gone through four stages since its inception: from purchasing products to sell them as is, to partially disassembled products, to fully disassembled products, and finally to production. The organization has chosen a diversification strategy for its products, carrying the message "Innovation is Life." It began its activities in 2003, producing computers, mobile phones, air conditioners, refrigerators, various televisions, and solar panels. It employs over 6,000 workers and has supported more than 150 scientific

research projects at Algerian universities, exporting its products to Sudan, Tunisia, France, and Switzerland. Since its inception, the organization has worked to:

-Products and Services:

- Home Appliances: Refrigerators ,Washing machines, Air conditioners ,Cooking devices.
- Electronics: Smartphones ,Televisions ,Audio devices.
- Technological Solutions: Information technology services, Renewable energy solutions

-Innovation and Development: Condor invests significantly in research and development, allowing it to offer products that align with the latest technological trends. It also aims to expand its product range to meet the needs of both local and international markets.

-After-Sales Service: Condor places great importance on after-sales service, providing technical support and maintenance to ensure customer satisfaction.

-International Expansion: Condor is also striving to expand beyond Algeria, focusing on African and Arab markets, reflecting its ambition to become a globally recognized brand

3.2 Sample Size Determination:

The organization's customers in Setif Province, who have previously interacted with it, were selected. Due to the large size of the population, a stratified sample was used, which stipulates that if a sample is chosen from the research population that represents the population concerning a group of characteristics related to the variables under study, it will represent these same variables. Therefore, the population is divided into sectors, so that each sector of the total sample corresponds to the size of the sector in the population. The population of Setif Municipality at the end of 2023 was approximately 252127, with 128333 males (51%) and 123794 females (49%) (Mashhad, 2024). A total of 120 questionnaires were distributed to the organization's customers through personal interviews at its authorized sales points, and 100 questionnaires were used for analysis, excluding 20 for not meeting the form's conditions and significant contradictions in the respondents' answers. Each question had five response options according to the five-point Likert scale, ranging from: strongly disagree, disagree, neutral, agree, to strongly agree.

3.3 Validity and Reliability of the Scale:

To verify the validity and reliability of the scale, it was presented to several specialists in marketing, reviewed against scientific references, and

tested through a limited sample of individuals (the research population) to verify content clarity. The reliability feature was confirmed using Cranach's Alpha test, yielding a reliability score of 0.890, indicating a high statistical significance and correlation among the statements and questions in the questionnaire.

3.4 Description of the Sample's Personal Characteristics:

A number of personal variables of the customers included in the research were identified to understand some basic facts about them, such as gender, age, duration of dealing with the organization, and reasons for choosing the organization's products, as follows:

Table 1. Distribution of Sample Members by Gender

Gender	Frequency	Percentage %
Male	51	51
Female	49	49
Total	100	100

Source: Prepared by researchers based on the outputs of the SPSS program.

The table shows a high percentage of male respondents at 51%, while females accounted for 49%. This is attributed to the nature of the selected stratified sample.

Table 2. Distribution of Sample Members by Age Group

Age Group	Frequency	Percentage %
Under 25	10	10
25-44 years	40	40
Over 44 years	50	50
Total	100	100

Source: Prepared by researchers based on the outputs of the SPSS program

The table indicates that most respondents are over 44 years old, comprising 50% of the sample, followed by those aged between 25 and 44 years at 40%, and those under 25 years at 10%.

Table 3. Duration of Dealing with the Organization

Duration of Dealing with the Organization	Frequency	Percentage %
Less than 6 months	30	30
Between 6 months and 1 year	40	40
From 1 to 3 years	20	20
More than 3 years	10	10
Total	100	100

Source: Prepared by researchers based on the outputs of the SPSS program.

Most respondents have dealt with the organization for between 6 months and 1 year, comprising 40%, followed by those who have dealt with

it for less than 6 months at 30%. This is due to the organization's introduction of new products at reasonable and competitive prices in recent years.

Table 4. Reasons for Choosing the Organization's Products

Reason	Frequency	Percentage %
Price	40	40
Product Quality	15	15
Local Product	25	25
After-Sales Services	20	20
Total	100	100

Source: Prepared by researchers based on the outputs of the SPSS program.

The table shows that the majority of respondents cite low prices as the primary reason for choosing the organization's products, followed by the fact that they are local products that need to be promoted.

3.5 Data Analysis, Hypotheses, and Presentation of Results and Suggestions:

-Descriptive Analysis of Respondents' Answers:

The degree of agreement of the study sample on the marketing mix innovation items of Condor is analyzed based on the five-point Likert scale.

- Analysis of Product-Related Answers:

Table 5. Product Innovation from the Respondents' Perspective

Statement	Mean	Standard Deviation	Degree of Agreement
Condor's products are characterized by renewal and innovation.	3.82	0.967	Agree
There is a diverse range of products.	3.51	1.053	Agree
The organization offers new products.	3.93	1.042	Agree
After-sales services provided to customers are distinguished compared to main competitors.	3.08	1.092	Neutral
Overall Mean and Standard Deviation	3.55	0.825	Agree

Source: Prepared by researchers based on the outputs of the SPSS program.

The table indicates that respondents generally express a high degree of agreement regarding product innovation, suggesting that most believe there is distinction and renewal in the products offered by Condor. The first statement shows the highest homogeneity with a standard deviation of 0.967.

- Analysis of Price-Related Answers:

Table 6. Price Innovation from the Respondents' Perspective

Statement	Mean	Standard Deviation	Degree of Agreement
Condor's product prices are appropriate.	3.73	0.845	Agree
Condor's product prices are low compared to its competitors.	3.28	0.995	Agree
The organization adopts promotional pricing (low prices) for its products.	3.21	1.082	Neutral
The organization offers discounts when purchasing multiple products.	3.67	1.132	Agree
Overall Mean	3.47	0.754	Agree

Source: Prepared by researchers based on the outputs of the SPSS program.

The table shows that respondents agree highly on price innovation, indicating that the pricing policy is distinctive and suitable for the respondents. The second statement is the most homogeneous, while the first statement regarding the appropriateness of Condor's prices receives the highest agreement.

- Analysis of Promotion-Related Answers:

Table 7. Promotion Innovation from the Respondents' Perspective

Statement	Mean	Standard Deviation	Degree of Agreement
The organization uses various media to promote its products and services (TV, radio, newspapers, posters, internet).	3.78	1.027	Agree
The organization's advertisements are attractive.	3.85	0.975	Agree
The size, timing, and method of advertisements are suitable and modern.	2.93	1.105	Agree
The organization's website is modern, distinctive, and user-friendly.	3.21	1.082	Neutral
The organization organizes competitions and awards for participating customers.	3.12	0.880	Agree
Overall Mean and Standard Deviation	3.42	0.602	Agree

Source: Prepared by researchers based on the outputs of the SPSS program.

The table indicates that the majority of respondents highly agree with all statements regarding the promotional policy and methods used by

Condor, highlighting the modernity and renewal in its promotional methods. Respondents also agree that competitions and exhibitions organized by the company increase their purchasing quantities.

- Analysis of Distribution-Related Answers:

Table 8. Distribution Innovation from the Respondents' Perspective

Statement	Mean	Standard Deviation	Degree of Agreement
Condor has multiple and varied distribution outlets (sales points).	3.55	0.943	Agree
The organization uses modern distribution methods (online distribution).	3.64	1.180	Agree
The geographical coverage of the organization is excellent and effective.	3.56	1.108	Agree
Its products are readily available and sufficient.	3.57	1.256	Agree
Overall Mean	3.62	0.725	Agree

Source: Prepared by researchers based on the outputs of the SPSS program.

The table shows that respondents agree on the innovation in distribution, indicating that the organization has a large number of sales points, which encourages purchasing its products. The first statement about the variety of sales points receives the highest agreement and homogeneity.

4. CONCLUSION

Innovative marketing requires new marketing ideas, transforming threats into new opportunities, creating needs, and contributing to activating marketing activities to increase market share. Condor has managed to occupy an important position in the Algerian market in a short period and is striving to enhance and maintain this position.

-Study Results:

1. The results showed that innovative marketing exists in the organization at an acceptable level.
2. There is clarity in the innovation of Condor's products for its customers, as indicated by the high degree of agreement on all product innovation items, reflecting its distinction in the market through diverse product offerings.
3. The high degree of agreement on pricing items indicates that the organization relies heavily on promotional prices and various pricing

strategies in providing services in a dynamic and changing competitive environment.

4. Customer evaluations of the organization's promotional innovation show that it focuses significantly on promotional policies, establishing a good position through various advertisements.

5. There is clarity in distribution innovation for the respondents, as indicated by the high degree of agreement on all items, especially regarding the variety of outlets and excellent geographical coverage.

6. The primary driver of marketing innovation is the existence of new and unfamiliar innovative ideas.

-Suggestions:

Based on the results of this study, the following suggestions can be made:

- Continue to offer new products as they are among the important reasons for customer attraction to the organization.
- Continuous awareness of the importance of quality for all employees through ongoing training and workshops, utilizing quality circles, and striving to implement a total quality management system.
- Establish an idea box where all employees can contribute, recognizing that every innovation starts with an idea.
- The need to create a position for creativity and innovation, coordinating and integrating with other functions, especially enhancing attention to human resources by adopting effective methods for employee selection, using training programs to build skills regularly, and providing various incentives to improve employee efficiency.
- Utilize modern technological means in managing customer relationships, in addition to regularly updating the website and including an Arabic version to facilitate communication with customers.
- Achieve a balance in innovation across various marketing activities and not focus solely on the product.
- Work on overcoming obstacles that may hinder the implementation of effective innovative marketing activities by providing an effective research system.

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