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THE MARKETING MYOPIA IN MOROCCAN PUBLIC ADMINISTRATIONS

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ABSTRACT

Marketing myopia is defined as a disease of the managers and executives of many companies who fail to take a broad view of their business and therefore put growth at risk through lack of marketing orientation. What about the Moroccan government? Indeed, the public sector in Morocco often complains about the lack of citizens' interest in their services and products. These citizens become more demanding and must be satisfied. This article thus has a twofold objective: first, to show wherein the marketing myopia in Moroccan Public Administrations lies, in order to define the heart of their business, and second, to propose a marketing mix for these administrations to optimize their Citizen Relationship Management.

Keywords: Marketing Myopia, marketing-mix in public sector, Generics, Public Administrations, e-administration

INTRODUCTION

Traditionally, Public Administration (PA) and marketing are two antagonistic concepts. For Butler and Collins (1995) marketing has gone from a transactional marketing, which is product-oriented, to relationship marketing, which is customer-oriented, more in line with the public administrations' expectations regarding their relations with citizens, especially the user. However, the public sector in Morocco often complains of a lack of citizens' interest, who become increasingly demanding when it comes to its business or its products. Indeed, the Moroccan PA has undergone many reforms during the last decade. Innovative experiments have been conducted in many areas. Despite these many achievements, the action of the administration and its mode of operation are subject to criticism both from its users and on the part of civil society. According to a satisfaction survey regarding the Moroccan PA that we have conducted to obtain citizens' opinions (El Yachoui and Aomari, 2015), it was clear that the perception of public services by users remains generally negative. The relationship with the administration was experienced by the citizen as a balance of power, which is weighted against the individual citizen. Service was perceived as a favor rather than a right. The Moroccan PA is thus endangering its growth due to its lack of marketing orientation. According to Levitt (1960), we can speak of marketing myopia within these administrations due to the lack of a core business definition. Thus, the objective of this article is to present this marketing myopia in the operational component, which will allow us to propose an applicable marketing mix within the Moroccan PA in order to optimize their relations with citizens.

AN OPERATIONAL MARKETING MYOPIA IN THE MOROCCAN PA

A marketing-mix poorly defined

Moroccan PA put their growth in danger due to their lack of marketing orientation, especially their operational marketing. To do this, we will demonstrate the marketing myopia in each element of the marketing-mix in Moroccan PA.

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Product

The PA's products have the characteristics of so-called "public goods". Those goods are consumed jointly, that is to say that consumers are not rivals (Samuelson 1954). Moreover, it is impossible to stop people who do not pay for these public goods from consuming them (Varian, 1992). For example, streetlights illuminate the streets for everyone, whether they contribute or not, through the raising of taxes. There is rarely the issue of non-rivalry in the PA, when you take for example the seating system in Moroccan universities. Seats are allocated according to the results of the baccalaureate. Thus, although seating at Moroccan universities is a product of the PA, it cannot be considered as a public good since there is not a spot for everyone; students are rivals because they can be excluded from selection. The PA provides services rather than goods. Services have the following characteristics: intangibility, inseparability, heterogeneity and perishability (Parasuraman et al., 1988; Zeithaml et al., 1985). In addition, the typical problems encountered in services are the same in the PA. The inviolability implies problems of sampling and evaluation. The inseparability limits the number of possible operations. The heterogeneity makes quality control more difficult, and the perishability involves storage issues as soon as demand fluctuates (Parasuraman et al., 1988; Zeithaml et al., 1985). The equipment, constraints and duties are the main products of the PA (Butler and Collins, 1995). Equipment corresponds to assets such as bridges and museums, or they correspond to services, such as health, education, the police, so citizens generally view them positively. Regarding constraints, they prohibit certain behaviour (such as banning smoking in public places) and act as laws and regulations. Such laws and regulations are beneficial to the public interest, but hinder interest. Individual constraint is seen as the price to pay for the public benefit. As for duties, they ensure that certain behaviour be required and are usually accompanied by sanctions. Again, in view of the general interest, citizens are asked to make efforts, such as paying taxes. Product development is rarely done in the Moroccan PA. Indeed, it is rather the politicians or strong demand from companies that create new products. Politicians often have to find the right balance between losing popularity points and acting for the good of the nation. For example, the introduction of a new tax is not highly appreciated by the public; however, it may be the solution for a heavily indebted country. These new product developments often take place just after the elections and not just before. Consumers prefer products that offer the best quality, highest performance and best attributes, thus product improvement is needed. But the Moroccan PA does not much improve their products; in particular, they do not recognize themselves to be in competition. But even when there is no competition, we see the importance of the increase of improved products, as is the case for the administrations' monopoly (the issuing of identity cards). The dissatisfied customer cannot turn to a competitor. Instead, he can express his dissatisfaction through demonstrations, which generates additional costs. These include the violent demonstrations in front of the Moroccan Parliament, as a sign of discontent, or the 20th February movement (M20) which emerged from young Moroccans' dissatisfaction. These events generate huge costs. Besides the difficulties in developing and improving products, an essential step for the Moroccan PA is what it sells. Therefore, we will explain the concept of "generic". According to Kotler and Levy (1969), a modern company that sells soap defines its core product as "cleaning" and not as soap. The Moroccan PAs often complain about the lack of citizens' interest in their services and products. We can therefore speak about marketing myopia in the public sector due to the lack of definition of its core business. Levitt (1960) gave the example of the railway system. The reason they defined their industry incorrectly was because they were railroad-oriented instead of transportation-oriented; they were product-oriented instead of customer-oriented. Similarly, we can say that there is certainly a public service demand, but it is not satisfied properly. In this case, citizens are looking to meet their demand outside the public sector (e.g. using a private clinic or private university) or they resort to public systems in other countries.

Price

Moreover, according to Christian Dussart (1994), "the price plays a crucial role in the strategy of organisations, it has become the nerve centre." However, the PA is non-profit, meaning that the profit is not received by private persons. The PA's activities may generate profits, called "surplus" but will be assigned later to the provision of future services. Unlike the private sector, in which the adaptation to market realities is indicated by the fact that the customer is ready to buy at that price, this is more difficult for the public sector because the Moroccan citizen is forced to buy there (through the taxes they pay) or it has no alternative, as the PA is a monopoly (we can only get our birth certificate or driving license through the PA). A fixed price must be precisely aligned with the positioning of the product. The Moroccan PA is a monopoly and therefore there is no competition against which to position its products and services. There is, however, a kind of positioning through the price within the Administration: imagine driving licenses cost nothing. Citizens would be inclined not to care, to lose them and therefore generate more renewal work for administrative officers.

Place

Distribution is defined as "all activities of a company to make the product or service available for targeted consumers" (Kotler et al., 2005). For many services, such as the delivering of national identity cards (NIC), additional distribution points do not increase the demand for the service; we repeat that the Administration has the monopoly for issuing NIC. But the opening of these additional facilities reduces public transaction costs and can lead to greater satisfaction. Here one can speak of a balance between cost and increased customer satisfaction.

Promotion

Current marketing requires more than just creating a quality product, setting the price and making it available. Companies must also communicate with existing and potential customers. It is also the critical point on which the efforts of a company must bear in building good relations with its customers. Various traditional means of communication can be used, both by the central administrations and local authorities, such as advertising (information campaigns on road safety, for example), the "sales force" (open house), the "promotion of sales" (tax reduction for online tax declarations), and public relations. Now it has long sought to animate the Administration through promotional activities. In New York, for example, the Economic Development Department has appealed to the advertising agency, Well, Rich and Green to develop a marketing campaign for the city of New York. The result was the famous slogan "I ♥ NY" that we can often see on T-shirts sold in the city and even circulating around the world. Morocco is still not aware of the importance of its cities. There are private or international organisations that promote the most beautiful cities in Morocco, such as the city of Chefchaouen which was ranked the sixth most beautiful city in the world by the prestigious Condé Nast Traveller magazine or the website TripAdvisor which ranked the city of Marrakech as one of the most beautiful destinations in the world. Butler and Collins (1995) show that "communication campaigns informing the public of the benefits and value of public services are becoming increasingly important." Marketing can help improve the negative image by, for instance, explaining what is the reasoning behind a certain requirement. For example, it can properly explain why it is necessary to wear a seat belt when driving. This reduces the negative feelings experienced in respect of this rule to follow. An anti-smoking campaign is certainly badly perceived by smokers but the Administration has to lead it anyway.

PROPOSAL OF A MARKETING MIX WITHIN THE MOROCCAN PA

We present in this part the implementation of the "4P" in the public sector. To do this, we will briefly present each element of the mix while illustrating these with Moroccan examples, but also other countries that the Moroccan PA can take as a model to understand the differences and similarities between the private and public sector. We then demonstrate how the e-

administration answers to a marketing approach. In fact, aware of the ICT's importance, Morocco has launched e-administration programs to develop digital technology. Finally, we discuss the limits of the implementation of each element of the mix in the PA.

Product

According to Kotler et al. (2005), the product dimension has eight tools: variety, quality, design, attributes, branding, packaging, services and warranties.

Table 1: Product dimension in the public sector

Marketing Tools	Examples in public administration
Variety: the number of different products contained in a product class	Different types of driving license are available in Morocco: category A for motorcycles, Class B for cars, trucks, category C and category D for bus
Quality: all the attributes and characteristics of a product or service that have the ability to satisfy expressed or implied needs	The new biometric passports are considered higher quality than traditional passports because they offer a higher level of security and protection against counterfeiting and false papers.
Design: attributes and packaging have much to do with aesthetics, but also the composition of the product or service.	The European version of the biometric passport contains a digital image and a biometric fingerprint on an RFID chip while in the Moroccan version, there is a digital image on the chip.
Brand: a name, term, design, symbol, design, or a combination of these, to identify the goods or services of one seller or group of sellers and to differentiate them from their competitors.	Public universities can have a brand. In Germany, the brands "University of Cologne" and "Munich University" have the image of a more selective recruitment than the "University of Hamburg." In Morocco we can give the example of the Higher Institute of Commerce and Business Administration (ISCAE).
Services: activities, benefits or satisfactions available for sale.	When you buy a passport in Belgium, one is expected to get it in a shorter amount of time. You can access this service by paying three to five times the usual price.
Warranties: agreements between a buyer and a seller of goods or services, giving details of the conditions for which the seller will cover the repairs without the buyer having to pay extra.	Any social security system can be considered in a sense as a guarantee: the conditions are set according to the type of disease. The country finances treatments.

Source: author: The remaining definitions as well as the list of marketing tools included are adapted from Kotler et al. (2008).

E-administration: a very ample offer of product and/or services

Digital products are either scanned information products, as offered by open data, or scanned related services as proposed by the digital administration. Digital products are not produced in their consumption but are duplicated to infinity, and they have physical negligible costs of production and distribution. Web 2.0 allows for the sharing of services and expertise because of its community focus and its ability to build a digital identity, such as finding one's way or

the organisation of events. The individual expresses himself, he participates in the debate, and he becomes critical, emerging as an active player.

Application limits of the element “product” in the Moroccan PA

The first difficulty is the evaluation of performance. To improve a product or service, we must know the consumer but we must also assess performance. Nevertheless, we must not forget that the performance indicators for services are more difficult to implement than goods, even in the private sector. Indeed, the level of satisfaction of a service depends on the interaction with the customer or consumer, and that helps determine the quality of service. The second limit is that the PA does not often decide about its product; it is rather political.

Price

According to Kotler et al. (2005), the function of prices has five tools: pricing, rebates, discounts, payment terms and credit terms.

Table 2: Price dimension in the public sector

Marketing Tools	Examples in public administration
Pricing: contains the sales price of all the products available, presented in a catalogue or list.	The rates for a license, for an ID card or passport
Discounts and rebates: price reductions over time. The discounts are granted specifically for worn or damaged goods.	An example would be that of delivery of the French government, which granted 20-euro reduction in 2006 to taxpayers who filed their tax returns on the Internet (Sanz 2006).
Payment Time: is the period in which the payment is due.	In Germany, companies have to pay VAT at the time of billing. But companies with annual sales of less than 250,000 Euro can only pay their VAT when the bills of their customers are met.
Credit terms: are the terms on which the parties agreed. Most of the times it is the number of days between delivery and payment, but also discounts for advance payment or penalties in case of late payment.	Example penalty: you pay extra when you do not pay taxes on time.

Source: author: The remaining definitions as well as the list of marketing tools included are adapted from Kotler et al. (2008)

E-administration: a pricing policy to build

The specificity of non-market services is that the price is set below their cost price or even that they are free. The public sector must often demonstrate the value of their products according to the general interest. There are two aspects: the dematerialization of procedures and the availability of public data. Dematerialization is an opportunity to generate economies of scale in both study phases of realization and use of resources. The cost of treatment is a hundred times lower than a paper process and ten times less than a magnetic treatment. The release of public data, commonly known as open data for the benefit of citizens is an unprecedented opportunity for social and economic innovations. It is an innovation that facilitates information for citizens and a better understanding of public policies, contributing to greater involvement of everyone. In Morocco, the Ministry of Industry, Trade and New Technologies has introduced a first version of the website ‘data.gov.ma’ in March 2011, making Morocco a pioneer in the field of Open Data platform. But, despite its innovative character, the Moroccan initiative for Open Data has not experienced the interest it deserved, and the published datasets were limited.

Application limits of the price element in the Moroccan AP

Although the Administration often has a monopoly and has no competitors, it cannot act as it wishes. It must take into account four constraints. First, the Administration cannot fix excessive prices: citizens decide to stop buying services or products. If the license were too expensive, many people would rather not drive or travel by bicycle. Even when there is a legal limit to the fixed price, as is the case for taxes, the Administration cannot indefinitely require very high taxes. Citizens cannot get out of the contract, but they can make claims and protests against high taxes, which is very costly for the Administration. They can exit the contract by leaving the country. The second constraint is that the pricing policy in this case is difficult to implement. Third, it is not only the financial aspects that have to be taken into account in pricing decisions. It must also rely on the well-being of the Administration and the non-financial benefits; the prices seem impossible to estimate. The best examples seem to be natural disasters or defensive wars, where prices are just impossible to determine. The fourth constraint is that most often the Administration is funded by state and local taxes, while the services are provided for free, which can influence the consumer in many ways.

Place

Four tools are related to the distribution: the channels, coverage, range and places. Two questions must be asked to select the appropriate channel: first, who should manage the channel, the Administration itself or a private company? Second, what is the most appropriate channel for delivering a specific service? The Administration may provide service in a physical building or the Internet. In October 2005, Estonia was the first country to allow elections online. The coverage was required to meet customer needs. France chose to keep intense coverage of Commons, the lowest level of administrative division composed of large cities as well as villages. We mean by "assortment" the choice of products and services to be offered by the same distribution channel. The agency for German Federal Employment was decentralized and offered only jobs in the respective regions; now it has been centralized and offers jobs in all of Germany. Places are places where one can find the physical buildings. France has decided to sell a number of administrative buildings in town centers and moved administrations to the periphery so as to collect more money.

E-administration: a local distribution

The Internet provides a distribution channel that makes saving money possible at the same time as increasing customer satisfaction. Filling in online tax declarations is regarded by many citizens as a benefit to them, as well as being cheaper for the Administration. The presence of many regional and local institutions can improve the satisfaction of collective welfare. Electronic administration appears as a way to rethink the distribution of existing services (portals, mobility...), rearrange (combine on the same support functions of information, communication and transaction terms) and also, increasingly, to invent new services (collaborative encyclopedias associating users and administrations). But the provision of online services (informational, interactive, transactional) via a window or front office represents the tip of a processing and distribution management (back office), which is also modified extensively.

Application limits of the place element in the Moroccan PA

There are at least three specific constraints that are not found in the private sector. First, we must take into account the aspects of security and control, which do not facilitate the outsourcing of services and limit Internet distribution. On the issue of outsourcing, one can think of issuing passports and the danger associated with the delegation of control over the service. We could still appeal to the onerous outsourcing rules and strict conditions on the private partner, but the population would never accept it and maybe after a few years, the private company might decide not to follow the rules and issue passports to anyone. The

Internet is not suitable for all types of services. Nevertheless, more and more services are available and e-government is a very interesting area of research. As we have already said, it is possible to fulfill one's tax return in Morocco, and Estonia was able to vote for a city council online in 2005. The second limit is that the increase in distribution points and channels does not necessarily increase customer satisfaction. If the PA decides to build a new building, it is the taxpayer who finances it and he or she may not appreciate this expense. A final limit concerns the place of distribution, which is often contingent on administrative areas, that is to say, a set of administrative sector bases (and not on population density considerations) or contingent on existing buildings. Changing the physical location of buildings or administrative boundaries is a more complicated task to achieve in the public sector than in the private sector.

Promotion

According to Kotler et al. (2005), there are four tools related to communication: advertising, sales force, sales promotion and public relations.

Table 3: Dimension communication in the public sector

Marketing Tools	Examples in public administration
Advertisement: "any form of remote presentation and promotion of ideas, goods, or services by an identified sponsor" (Kotler et al. 2005, p. 905).	Awareness campaign by the Moroccan government: diabetes road safety
Sales force: "a personal demonstration by business to generate sales and build customer relationships" (Kotler et al. 2005, p. 917).	Open days held in police stations in several countries to inform citizens about police work and to build relationships.
Sales Promotions: "Short-term incentives for the purchase or sale of a product or service" (Kotler et al. 2005, p. 920).	In 2006, the French government offered a 20-euro reduction to taxpayers who filed their tax declaration online (Sanz 2006).
Public Relations: include "creating good relations with different audiences for a company to get positive publicity, to build a good image and to wash away negative rumors, stories or events that can harm the company's image. The main PR tools include press relations, product promotion, corporate communications, lobbying, and the board" (Kotler et al. 2005, p. 919)	Numerous Internet sites where the Administration gives information about its organisation, such as the Moroccan Ministry of Finance website.

Source: author: The remaining definitions as well as the list of marketing tools included are adapted from Kotler et al. (2008)

E-administration: a more interactive communication

One of the advantages of e-administration, in terms of communication, is to facilitate and speed up communication between the administration and users and with partners, including the use of Web 2.0. The latter, commonly called "social Internet" allows you to create new modes of exchange and communication within the administration and with citizens. It meets the needs to express, share and react in real time.

Application limits of the advertising mix in the PA

There are also limits related to promotional activities. The communication must remain neutral. It does not create an image, but only seeks to inform. In the case of the referendum on the Moroccan Constitution in 2011, for example, it was supposed to inform only on the content of the Constitution. Only political parties could produce the actual advertising about the Constitution. But during the campaign we saw that the separation between politics and

administration was blurred. There is also an ethical limit: it is not recommended to share only the benefits of a product of the Administration; one should also communicate the costs. This is part of marketing since it is to build an image of honesty for the Administration. Finally, marketing can provide information on the benefits of a service. In this case, it can limit the negative impact on the satisfaction of a consumer, but it cannot make the consumer fully happy with the service.

According to Levitt (1960), citizens hate paying taxes no matter what and do not like to cooperate with the state to complete forms. It is more useful to minimize the effort required by citizens.

CONCLUSION AND DISCUSSION

Having highlighted the marketing myopia, which lies within the Moroccan PA, the paper has shown the applicability and limitations of the marketing mix in it. It has been demonstrated that e-administration responds to a marketing approach that can incorporate into the 4P in any PA in Morocco., something that will allow the public to know the heart of business and improve the PA's relationship with its users. The article highlights that the marketing and the public sector are similar, although there are still differences. However, it is not necessary to set up new marketing specific to the public sector, but rather to adopt a different angle within the marketing discipline. The Moroccan PA should listen more to marketers. However, it must remain vigilant and not think that marketing is capable of solving everything: marketing is not a panacea but only a process that helps one manage the public sector more effectively.

Limits and future research paths

The main limitation of this paper is that it has processed a very operational part of marketing, but marketing also deals with more strategic issues. Thus, the coordination of a comprehensive marketing plan is the key to maximum efficiency. Finally, as far as research opportunities in the field of marketing and public sector are concerned, it would be interesting to study the relationship between the PA and citizens. And, based on the CRM principles, transpose these into the public domain, which could lead to a new concept, namely the Citizen Relationship Management. However, this relationship is strongly influenced by political activities. It would be wise to analyze the relationship between these three actors.

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