

# YOUTH AS A RECIPIENT OF MARKETING INNOVATIONS IN ACTIVITIES OF COMPANIES PROVIDING MUNICIPAL SERVICES

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**Abstract.** Companies operating in the utilities sector has little interested in the problems of marketing and marketing innovations. Now the situation is changing because more utilities providers are beginning to analyze the needs of their clients. From the point of view of marketing science is not the end of the examined the specific nature and scope of innovation in the utilities sector, taking into account the perspective of the customer which is the youth and children. This paper tries to complement this knowledge. The article raises the issue of marketing innovations aimed at young people as a group of prospective clients companies providing municipal services. In the theoretical part presents the concept of innovation and characterizes the essence of marketing innovations. It also presents a model of innovation services with references to the utilities sector. These issues are illustrated by practical examples of marketing innovations, which the public is young people as a priority group from the point of view of the development strategy of companies operating in the utilities sector.

**Key words:** municipal services, marketing innovation, innovation, utilities sector.

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## Introduction

Utilities services are an important group of services from the point of view of the citizens. Include services connected with purity of the cities and refuse disposal, providing transportation, providing water and sewage disposal, management of urban parks and lighting located in the cities. This shows that they are quite diverse in terms of genre (Najnigier 1992: 3).

Utilities services is characterized by a rigid demand, high capital intensity, high costs of inputs and outputs (Wróbel 2004: 3). Taking socio-economic change in the cities are beginning to reflect on the functioning of companies providing utility services. They need more than ever to create your brand, create a good image, pay attention to the needs of increasingly demanding consumers and aging (Stopa 2014).

These changes make it necessary to search for companies providing utilities services for new and innovative solutions in the field of marketing connected with widespread use of marketing research, and taking into account the needs of the service offered to consumers. The aim of this study is to identify oppor-

tunities for innovative marketing solutions in the utilities sector, and to show this type of activities carried out in practice by companies perform utilities services sector in Poland.

## 1. Youth as the subject of marketing companies providing municipal services

In the context of Polish hard to unambiguously characterize youth as a category of research or as a group of citizens. It appears in this regard only legal distinction between the age of Polish citizens – those who have completed 18 years of age and have the right to elect and small, who have that right because of their age do not yet have (article 62). The Civil Code operates category of “adults” who are at least 18 years of age or concluded before marriage the age of majority have obtained, thereby having full legal capacity or “minors” who do not have the age of 18 (article 10). The Penal Code while we find the phrase “minor,” which does not exceed the age of 17 years and “adolescent” who has not attained the age of 21 (article 10, § 2, article 115 § 10). In Polish law is no unique definition of what “youth” and what age groups of citizens to such a group may include (Kandzia 2012: 45).

For the theorist of young people considered Eisenstadt you can get only functional perspective youth. This theory is based on the concept of “age”. Reaching a certain age is a basic condition for implementation of the various social roles. In this context, therefore, young people are preparing to become conscious citizens, awaken civic activity (Eisenstadt 1996: 1996).

It is worth paying attention to the features that the different facets of sociological youth are assigned. Firstly, it is usually age group, whose frames range between 15 and 24 years of age. Secondly, the youth category can qualify people who are in a transitional phase between childhood and adulthood. Thirdly, this period is rich in preparation for life, fulfillment of social needs specific to a given level of personal development and social (from the point of view it is preparing for the entry into the socio-political life). Fourthly, built then, however, the specific identity and sense of belonging to society broadly defined (Kandzia 2012: 46-47).

## 2. Marketing innovation – the essence of the concept

According to Schumpeter, innovation is a function consisting of creative thinking and action. As innovation can therefore be determined:

- the introduction of a new product,
- introduction of a new method of production (process innovation)
- opening of a new sales market,
- open a new market supply,
- the introduction of the new organization (innovation related to management) (Mizgajska 2002: 124).

Drucker (2004: 35-37) suggests that innovation is an idea, process or thing that is new in terms of quality, different from the existing.

A marketing innovation is mostly about matching product or service to meet your needs. It appears at the design stage of the product, service, pricing, search for new markets or use of a new promotional strategy. Organizational innovation is any change introduced in the company in order to improve the efficiency of its action, e.g. for reducing administrative costs or transaction (Griffin 2006: 426-428).

The definition of marketing innovations you can define not only their subject but also presenting goals According to Li (2006: 1202), marketing innovations are the process of merging marketing and resources which has the firm in new ways, allowing use of the opportunities emerging in the market, in order to acquire new customers and achieve a sustainable competitive advantage.

It is characterized by the wide scope of the definition of marketing innovations formulated by Liu and Zhang (2007: 411). According their proposals marketing innovations relate to all aspects of marketing activities, such as marketing concept, the product (good and service) market, sales management, marketing and other marketing tools.

The approach presented by Halpern (2010: 52) also focuses on the organizations are undertaking new marketing efforts, enabling better meet consumer needs. This author defines marketing innovations as new ways, such as using relationship marketing, flexibility in terms of pricing or branding, through which the company can more effectively deliver its offer to existing or potential customers.

According to Frąckiewicz (2010: 94-96) marketing innovations recognizes not only changing market offer, but also new or modified method of implementation of marketing activities. The changes taking place in the modern economy, lead in fact to look for new opportunities to reduce operating costs of the company, while the need to improve the quality of comprehensive offer. This results in the increased importance of marketing activities such as promotion policy, service before and after sales, or implementation of marketing research. Marketing innovations thus include not only the result but the process of achieving a given aim. This refers to the process of understanding innovation.

Acc. to Nowacki (2010: 31), marketing innovations are related to the implementation of new or improved solutions (changes) in the sphere of marketing activities regarding the product, its accessories and packaging, branding, positioning, pricing, promotional tools and business management model, resulting from new marketing strategy business.

A marketing innovation for the product relates to changes not only within the core of the product (ie, functional features or performance), but in the area actual product (change in the form or appearance of the product), and especial-

ly the extended product. In the field of promotion for marketing innovation is considered to apply a new way to promote products and services, and so the use or creation of new instruments informative, stimulating or enabling competition in the market. To this group belongs eg innovation. Introduction of new forms of advertising (e.g. Ambient media, product placement, advergaming), new varieties of personal selling (eg. CLM on the pharmaceutical market) and non-standard forms of marketing communication (eg. Buzz marketing, guerrilla marketing) (OSLO Services Handbook 2005: 52).

Services play an increasingly important role in all innovation processes. The possibility of innovation efforts in service activities largely include marketing perspective and mainly concern:

- a new concept of service (kernel functional- the product),
- new areas of cooperation with the client (communication and interaction, both in the planning process – many services are intentionally created as a service unique, and at the stage of their provision / delivery as part of after-sales service),
- new system for service delivery (service marketing must provide new ways of delivery in newplaces, in other ways, for example by means of support. in the form of communication technologies),
- the application of new technologies (some services could not to be supplied without modern technology – eg. high-speed transportation, and some have their counterparts on both the low and high-tech – you can write letters or send sms (Osiadacz 2012: 38-39).

This section presents the different definitions of marketing innovation. It seems that the best approach in relation to the utilities sector is to bring innovations on marketing to take account of this aspect of purposeful activity and broad approach.

### 3. Marketing as a part of service innovation

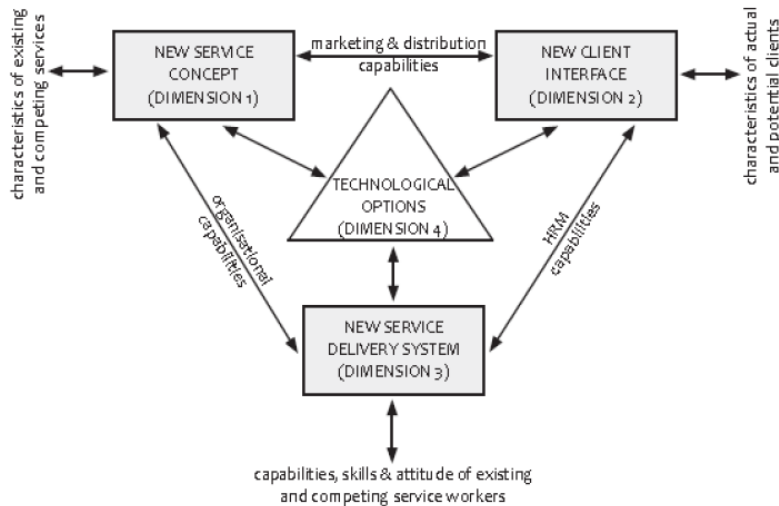
Research on service innovation are limited. Analysis conducted on innovative activity in the services sector show certain regularities for this sector. Innovation can therefore be a new service, a new way to provide services and / or a new way of organizing the services, which will fulfill the requirement of novelty and bring tangible economic and social benefits. Innovation service can not be limited to changes in the characteristics of the service itself. It is often associated with the introduction of new methods of distribution, customer interaction, quality control, security, etc. Because of this we can talk about significant differences in the characteristics innovation. Den Hertog (2014: 42) takes into account four aspects of the behavior of innovative services:

- a new concept of service,
- a new level of cooperation with the customer,
- a new system of service delivery,

- the use of new technologies.

Taking into account the above mentioned elements you can build a model of innovation services (Figure 1).

Figure 1. Model of innovation services



Source: Den Hertog 2010: 42.

The new service concept consists in offering brand new services. Sometimes, innovation and service are highly visible, tangible, especially when they are directly supplied. Sometimes, this type of innovation is not a physical, which makes its essence is a rather elusive (e.g. the an idea to solve the problem). A new concept for services is associated with creating a new approach to the problem. An example of this type of innovation might be the creation of stores, which created a sense of uniqueness to customers when shopping, and so created a new style of shopping.

The new client interface is a new way of working with the client company, the interaction between the firm and the client, as well as offering the customer product (service). This cooperation has in the case of services of particular importance because of the direct contact, but also because in the provision of services difficult to really distinguish the exact role of the customer and the service provider. The way we interact with the customer may also be an important source of innovation and cooperation with the customer may have a goal innovative, as in the case of services related to R & D, design utility models, and the like. An example of innovation that shape nowap The plane collaboration with the customer is using the Internet as a new distribution channel in trading companies, banks or services of tour designed portal was replaced in this case direct contact with the employee.

The new system delivery service is associated with discussed above the plane of the interaction with the customer. But it refers to the internal organizational conditions that must be properly managed in order to staff the service provider can adequately do their work, develop and offer innovative products (services). It is therefore to equip workers with the right tools, skills and powers enabling them to look for unconventional solutions, innovation related to the practical problems occurring during operation. In the second side implementation of a new system of service provision may require not only a change of organizational, logistical, implementation of new systems, but also new skills of the staff. An example of this model behavior is, for example. the introduction of large-scale purchasing system “home”, the sale of e-commerce, whether the introduction of the so-called. quick service (change the wheel 20 minutes).

Innovation of technological nature are an important element of the innovation service providers, however, they can be innovative in other areas without the need for these changes / new technology (Niedzielski 2013: 117).

Considering the subject matter of this study youth as a recipient marketing innovations can say that they relate to the creation of areas of cooperation. Companies providing utility services are increasingly using for this purpose activities and projects based in large part on sponsorship, ecological competitions supported by local and national media, and as part of environmental initiatives implemented by the European Union. Initiatives of this type can help to create a positive image of the companies providing municipal services among young people as well as they serve to broaden the environmental awareness of this group of society that would eventually become their significant group of clients. Next point of this study will show examples of this type of initiative which is also examples of marketing innovations.

#### **4. Examples of marketing innovations aimed at children and young people in the activities of companies providing municipal services in Poland**

The research activities of the marketing sector of municipal services in Poland are limited. Some companies in this industry conduct their own market research for commercial purposes. Presented below examples of marketing activities in the field of innovation can be treated as an action model for other companies in this sector. They fit into the concept of the so-called best practices.

Companies operating in the utilities sector use a marketing innovation but these actions are not yet widespread. In part, this situation is due to the nature of their business. The group discussed innovation refers to the use of strategic marketing or activities related to social marketing.

Examples of marketing innovations based on social marketing is a cyclical competition organized by the Department of Utility Services in Polish City- We-

Województwo called. "Separate collection of waste – Youth gives an example". It is proof that a well-conducted environmental education brings tangible, practical benefits – for the whole citizens. From 11 years young people from Wejherowo and the surrounding area give you an example of how to take care of the environment. In 14 June 2012 awards were given in the eleventh edition of the competition. In the school year 2011/2012 proved to be the best non-public kindergarten "Fairy Tale" in Wejherowo. Second place received Kindergarten Local Government in Gościniń, and the third – Local Government Kindergarten No. 2 in Wejherowo. The prize for caregiver education institution that has achieved the greatest progress compared to last years, received Mirosława Sowa from Elementary School in Gowin City. Awards were presented by the Mayor of Wejherowo City- Krzysztof Hildebrandt and Chief Enterprise Utilities Services from Wejherowo City- Jarosław Pergola. Awards ceremony was accompanied by artistic performances. This competition is part of a larger program of selective waste collection. Organizer – Department of Municipal Services in Wejherowo City – is committed to "shaping habits and ecological culture". The annual competition is developing in participants a sense of responsibility to the environment and its protection. Young people learn the principles of separation of waste. Such actions raise the effectiveness of segregation, especially that through the children- Enterprise Utilities Services from Wejherowo City arrives with his program for the whole family (Wejherowo.pl 2012).

Interesting actions to follow up marketing innovations aimed at children and young realizes in practice Public Utilities Company from Legnica City (LPGK 2015). In 2012, the company hosted a group of participants of the project "80 days around Europe. Construction of ecological European city". This group was formed from middle school students of Polish, France, Italy, Romania, Spain, Greece, Portugal, Germany and Turkey, who completed the Comenius program, funded by the European Union. During the meeting the students could familiarize himself with the work of modern garbage trucks and sweepers on the basis of the purification Town and view a multimedia presentation on the tasks performed by all the bets in the Company. Young people from Europe eagerly took part in talk dedicated to ecological topics and discussions on the recovery of secondary raw materials. At the end of the meeting guests viewed an instructional video on how to deal with organic waste, also available on the Company's website and handed them company giveaways to commemorate stay in LPGK.

LPGK also actively switches in the organization of the National Ecological Song Festival "Ekosong" and is the founder prize for young artists. The competition is organized by the Youth Cultural Centre in Legnica City, and Honorary Patron of the Festival is the Mayor of Legnica City Mr Tadeusz Krzakowski. The aim of the festival is widely understood ecological education, attitudes

ecology and a healthy way of life. Each of us knows that about ecology can write, paint, talk, but rarely sung. That's why the young singers from across the Polish successfully carry the message by expressing them through singing (LPGK 2015).

An interesting example of a marketing innovation also carries the company FBService from Poznan City dealing with waste disposal. In autumn 2015 was organized a campaign "Be ECO from Poznań City". It was a large-scale project, which was intended to arouse environmental awareness of residents of the capitol of Wielkopolska Region, promote artistic talents of children and young people and embellish the streets of Poznan. To effectively promote environmental awareness in the community and encourage everyone to care about the environment need more than appeals and beautiful password. The company FBService – the organizer campaign "Be ECO from Poznań City" with a newspaper "Głos Wielkopolski", ZM GOAP and the University of Arts in Poznań organized a unique competition for environmentally friendly. This is the first such initiative in Poland, and perhaps in this part of Europe. The rivalry took part children and youth – students of Poznań schools – and students universities operating in this city. Discussed project promotes the idea of recycling and actions on the environment, as the segregation of garbage and saving water and energy. Entrants have struggled with this task in four age categories. The youngest (children of classes I to VI of primary school) performed a poster (in any artistic technique) to encourage waste segregation. The winning work will be reproduced and distributed by FBService throughout the city to remind you of the need for such action. The task of middle school students, high school students and students of visual design was promoting ecology signs that adorn the nine Poznan garbage cars FBService.

The greatest value of the campaign "Be ECO from Poznań" is that it leads to reflection. Sanitation move is usually in the morning, so really everyone in Poznan will have a chance to see firsthand the final result of the competition. This is an excellent opportunity to reflect on the environmental issue and the problem of segregation of garbage. FBService is organizing this competition in this way is going to influence the environmental awareness Poznań Citizens. Best projects authors will benefit not only the satisfaction of the publicity work done by them. The winners will gain for attractive rewards for yourself as well as educational materials and equipment for their schools.

However, the organizers want to encourage them to participate in shares of all, not only the youngest citizens of Poznań. The emergence of the winners will take place in two stages - the jury will show ten works, which in turn will be published on the website "Voice of Wielkopolska" and put to the vote of Poznań. The final decision will therefore belong to residents of the city. They have the power to create its environment and it depends on them, how they look

and how to look should Poznań streets. This project is according to its organizers the first initiative of this kind in Poland. The project “Be Eko form Poznań City” it is not just about the outcome of the artistic competition builds environmental awareness, but also to change the environment and creating ecological attitudes of citizens of Poznań. Garbage cars FBService with winning works will promote actively taking care of the environment. The organizers of this project are counting on the fact that he will have more views in the future. They hope that the people of Poznań will appeal to a new image of garbage such business. In addition to cash prizes for the winners FBService company also want to support such educational institutions eg. environmental education needed in hardware. Building environmental attitudes already at primary school level is crucial (Onet.pl 2015).

## Conclusions

This paper presents theoretical approaches and models, on innovation marketing service companies aimed at youth as a prospective client group. These issues were related to the specifics of companies operating in Poland, engaged in the provision of municipal services. Despite the great impact of state and local governments on business conditions in the industry, companies operating in it undertake innovative activities associated with their marketing activities. Examples of this type of action presented above, and they bear witness to an increasing marketization and use the principles of economics and entrepreneurship in the Polish sector of municipal services.

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