doi: 10.17051/ilkonline.2021.06.161

# **Establishment Of Planning Parameters In Advertising Companies In The Villavicencio City**

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#### **ABSTRACT**

An intervention was carried out in the city of Villavicencio - Meta in the Lower Barzal neighborhood, it was sought to expose the real behavior of the companies dedicated to advertising located there, since no precedents were found for studies carried out with the topic raised. In addition, an attempt was made to describe how they carry out the planning processes, identify the strengths and weaknesses of the union, to finally recognize the importance of strategic administrative processes in companies.

To collect the information, the team prepared a questionnaire with a Likert scale interpretation and only answer questions. Because the population was finite, it was analyzed in total 75 companies. This information was examined using Excel tables and graphs, processing the information in the SPSS statistical analysis program.

According to the results obtained, it was determined that most of the companies dedicated to advertising do not apply the principles of planning and that they do not use tools that allow the development of this; It was recommended that entrepreneurs in the study area be trained or informed about this administrative process, which is key to the proper development of organizations.

**Keywords:** planning, company, process, strategies, administration.

## **INTRODUCTION**

Planning is "a rational activity that aims to decide on the allocation of scarce resources in the achievement of multiple objectives, through appropriate means" (Fundacióninterarts, 2012, p2). This tool allows companies to have a guide to determine which projects to carry out and

which not, it can also be defined as a guideline to determine the course of operations in general. According to (Chiavenato&Sapiro, 2016) strategic planning is divided into 5 tactical plans that are financial planning, production, marketing, human resources and administrative; The execution of these plans is necessary so that there is a synergy between all the departments of the company and the objectives can be intertwined from the management to all the collaborators.

On the other hand, regarding the formulation of the strategy, it "implies developing a vision and mission, identifying opportunities and threats external to the company, determining internal strengths and weaknesses, establishing long-term objectives, generating alternative strategies and choose particular strategies to be followed" (David, 2013, p5). The first stage is basically the recognition of what the company is, where it is going, what it wants to carry out and what are the plans it wants to develop. After formulating the strategy, it is necessary to implement it and there the company "requires the company to establish annual objectives, create policies, motivate employees and allocate resources so that the strategies formulated can be executed" (David, 2013, p6). For the implementation of the strategy, a commitment from the staff is required, especially from the human and financial talent departments.

In the third and last stage, which is the evaluation of the strategy, "managers urgently need to know if certain strategies are not working well, the evaluation of the strategy is the main means to obtain this information" (David, 2013, p6); To determine if the objectives proposed by the administration or management were achieved, they must be evaluated so that it will be possible to determine how the performance was and what actions can be taken to improve them; Strategic planning is a tool that is necessary in any organization regardless of the sector or field in which it is developed, it is essential so that the direction of the company can be defined.

There is a wide demand for advertising products or services by companies that arise every day and that seek a way to position themselves in the market, that is why "any company that wants to achieve consumption, cover the market, positioning and recall is a company that is obliged to invest huge budgets in the advertising " (Rojas J., 2015, p35).

According to the importance of advertising for any business, advertising companies should focus their effortsto encourage the purchase of its products and services t hrough strategic planning (Benavides, Velasquez &Artola, 2018). Due to the trend that exists in the market for positioning the companies and the bran ds to through intangible and tangible media, companies engaged in advertising should structure a good strategic planning to ensure that their plans are aligned with the reality of the market and the needs of the same, in addition that the efforts are united and programmed to achieve the purposes of the company (GARCIA Guiliany, et al., 2017, p4).

With respect to the advertising sector, "Colombia is one of the leaders of not only Latin American creative industry for its value proposition product but its growing contribution to the economy of the country" (Alcaldía de Medellín, 2019, p20). The advertising is the alternative most sought after by companies to increase sales, it

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should also be considered as an investment rather than as one expense (Falquez, Guerrero, & Rojas, 2017).

On the other hand, in Villavicencio is concentrated the industry of the advertising in the zone called Barzal neighborhood, where we have seen the transition in terms of technologies, techniques and processes for the survival of economic activity. The area of influence covers about 4 complete blocks where there is a wide variety of services ranging from marketing strategies or graphic design to digital printing of banners, cards, among many more. Given the market trend, as well as the importance of the sector addressed, this study is presented that measures the use of strategic planning by advertising companies in the Villavicencio city.

## **MATERIALS AND METHODS**

The research was developed in the municipality of Villavicencio in the department of Meta, in the Barzal neighborhood under a place that has been characterized by grouping advertising agencies for several decades, it was determined that, being a finite population, thatis, it can be count and that is relatively small, it will apply the instrument to all the companies of the district, i.e. 75 companies.

The quantitative method was used with a descriptive research design, since it sought to expose the behavior of advertising companies in terms of strategic planning, in addition to helping to identify weaknesses and strengths of the union against this process, and evoke the importance of this administrative process for the proper development of companies. The primary information was obtained from thosein charge of the companies and the secon dary information from theories, studies and other research, it was collected with a survey-type instrument with a Likert scale where the majority result determined the level of compliance and then the results were analyzed with help from Excel and SPSS for the correlations of the variables.

Likert scale	
Percentage	Frequency level
0-20	Hardly ever
21-40	Sometimes
41-60	Occasionally
61-80	Frequently
81-100	Always

Table 1. Likert scale for the methodology. The Authors (2021)

#### RESULTS

These results were obtained through the intervention that was carried out in the sector, the most relevant ones are presented below.

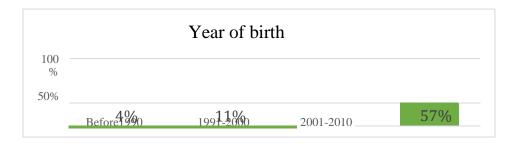


Figure 1. Range of year of birth of companies dedicated to advertising in El BarzalBajo. The Authors (2021)

The majority of the companies established between the year 2011 -

2021 are approximately 57%, followed by those between 2001 - 2010. In other words, most companies dedicated to the advertising in the Barzal are young, as they have less of a decade of operation. According to (Presidencia de la República de Colombia, 2020) "the creation of companies in Colombia increased 2.1% during 2019, and the creation of companies by 10.4%", the increase in societies created in the analyzed sector is consistent to the proposed literature.

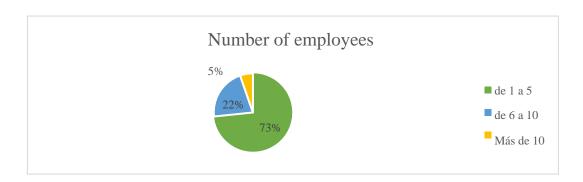


Figure 2. Number of employees in the companies. The Authors (2021)

According to Figure 2, it was shown that the establishments in most having 1 to 5 employees with 73%, and 22% from 6 to

10 employees, so that indicates that the 95% of the stores are micro-business, " Colombia has 2,540,953 MSMEs, which represent the 90% of the enterprises of the country that produced only the 30% of GDP and employ more than 65% of the national workforce "(Colombia Fintech, 2020).

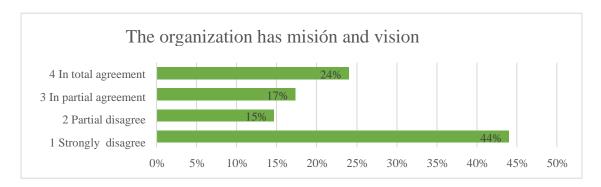


Figure 3. Mission and vision in companies. The Authors (2021)

For the companies is essential to have one mission and vision defined properly, this lets them know the rationale and where to direct their efforts; in the companies under study it was evidenced that only 24% of them fully agree with its use; In other words, advertising companies sometimes have a structured mission and vision. In accordance with (Martos C, 2009) "the mission, vision and values are one first " corpus "of the corporate culture of an organization" (p51).

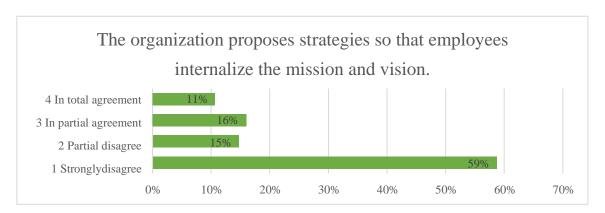


Figure 4. Proposal strategies to internalize the mission and vision. The Authors (2021)

It is a fact that having the mission and vision of the company structured, in addition to being defined, does not mean anything, unless these are disclosed and internalized by all the interested parties of the organization, especially by the employees so that they are feel identified with them. Regarding that, "in small and medium-sized companies, it is more difficult for us to locate the information or we can even come to the conclusion that it is something that has not been strategically thought on many occasions, that is not valued or is not even known" (Universidadde Alicante, 2018). In this figure, it was possible to appreciate that companies almost never propose strategies for the dissemination and internalization of planning, taking into account that only 11% of companies found themselves in total agreement with the question; With the high percentage of companies that are in total disagreement, it is evident that the number of companies that have an established mission and vision do not carry out the disclosure and internalization process.

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Figure 5. Formulation of strategies and involvement of all parties. The Authors (2021)

The strategies must be based on the strengths and weaknesses to determine what you want to be in the future, establishing a framework of objectives and goals (Valenzuela, 2016), regarding these, most companies are in total disagreement, that is, that they do not carry out strategies for continuous improvement and therefore do not involve the staff; On the other hand, according to the level of compliance, it could be observed that, in general, advertising companies almost never formulate improvement strategies and disclose them.



Figure 6. Implementation of strategies and communication of results. The Authors (2021)

This question is related to the previous one, since it refers to the implementation of strategies and evaluating the obtained results; in Figure 6 can be seen that only 13% of the companies are located in full agreement with the statement, that is the advertising

companies almost never implement strategies seeking the improvement of their processes a nd after implementation evaluates results to verify that the proposed objectives have been achieved.

It is worth mentioning that companies should evaluate the results of strategies to determine that the goals will have been met, as (Institutointeramericano de la cooperaciónpara la agricultura, 2018) "Evaluation is a systematic and comprehensive process that is implemented to verify progress in meeting the goals of the strategic objectives and priority lines of action" (p.18). In accordance with the graphs 5 and 6, it was determined that mostly do not strategize, but if implemented, so that allows us to infer that these companies act on the fly and not program their plans.

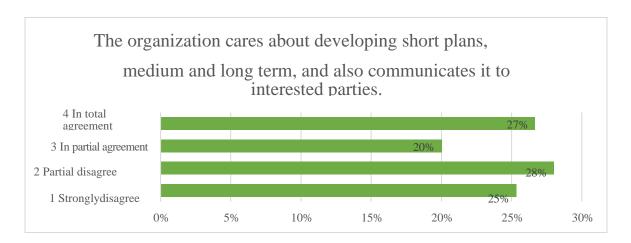


Figure 7. Short, medium and long term planning in advertising companies. The Authors (2021)

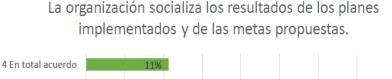
In figure 7, it was observed that 1/4 of the companies disagreed with the statement made and 27% fully agreed, that is, advertising companies sometimes develop short, medium or plans long term and turn communicate with the parties concerned to which these know to where directed and whatobjectives be achieved. "The strategic direction is a key process to achieve the objectives of the organizations in the short, medium and long term; therefore, it must be taken as a fundamental part of the development of the process of creation and maintenance of the organizations " (Pérez Uribe. 2014). According to the information of this graphic and the author mentioned, it states that advertising companies do not consider the strategic direction as a fundamental part of them, because the 73% not being in full agreement, so that it turns into one big disadvantage the improvement of the sector and its competitiveness.

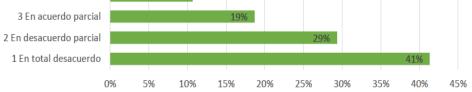


Figure 8. Measurement of achievement goals. The authors (2021).

Using tools that can measure the level of fulfillment of the goals set in the plans or projects makes the difference, since companies can determine shortcomings and also develop action plans to modify or achieve those goals. For example, in Figure 8, it was observed that only 13% of the companies measures the fulfillment of the goals that we re raised in the plans, followed by 32% that it is in total disagreement. That is almost never the companies meet this important step of strategic planning.

Questions 7 and 8 are directly correlated because measuring compliance with the targets depends clearly on the objectives raised by the company, in accordance with (Mora- Riapira, Vera-Colinab, &Melgarejo-Molinab, 2014) "tools strategic planning and management control can help improve the performance of the various functions business and impact on the consolidation and growth of the business "; the current situation of the sector is critical because only 13% of advertising companies measure the fulfillment of goals.





# Figure 9. Socialization of results. The Authors (2021)

When companies decide to implement a plan, be it financial or of any kind, after its implementation it is prudent, as well as necessary, to evaluate the results of the plan and subsequently share the obtained results. According to the (Cámara de comercio de Bogotá) "it is a tool that allows determining the degree of maturity or evolution of the business project, company or business." In the figure above, it was found that 41% of the companies is in complete disagreement with the socialization of the results of the plans, while only 11% was found in agreement; in other words, companies almost never socialize the results of their plans.

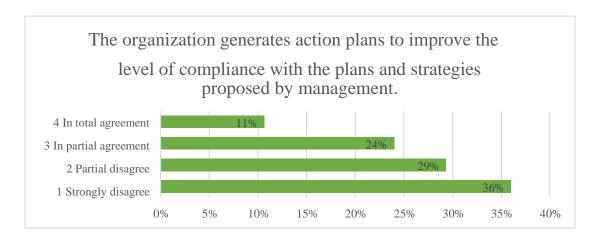


Figure 10. Action plans to improve compliance levels. The authors (2021).

Regarding the generation of action plans to improve the level of compliance with the plans and strategies proposed by the management, it was evidenced that only 11% of the advertising companies fully agree with what was proposed, compared to 36% who is in total disagreement; That is,

companies almost never apply plans of action to improve this situation. An action plan allows designing all the actions necessary to achieve an effective organization and systematization (Villasmil&Isea, 2007).



Figure 11. Implementation of the organization chart in advertising companies. The authors (2021).

The organization can easily see departmentalization and the hierarchy of the charges, in the business of advertising the 56% are found in full disagreement with the state ment, while only 12% in total agreement, which allows us to deduce that these companies almost never have a defined organization chart. According to (Viviancos, 2010) "Choose the type of organization must be a mutual agreement with management, must be dynamic and reflect the actual organizational structure of the company," the results of Figure 11 are negative for the advertising sector. It is necessary that exists a formal organizational structure so that employees understand their place and the importance of the development of their positions for the company.

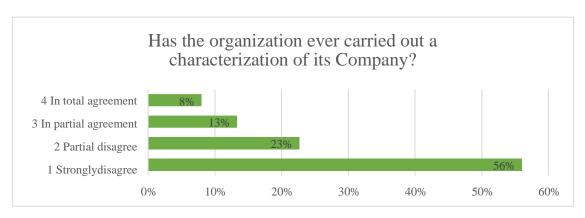


Figure 12. Characterization in advertising companies. The authors (2021).

The characterization of a company allows defining some key points for its operation, such as knowing its size, financial capacity, workforce, suppliers, competition among many more things; Faced with this question (at some time the organization has carried out a characterization of their company), the majority responded that they were in total disagreement with 56% and 8% in total agreement, leading this to define that companies almost never make a characterization.

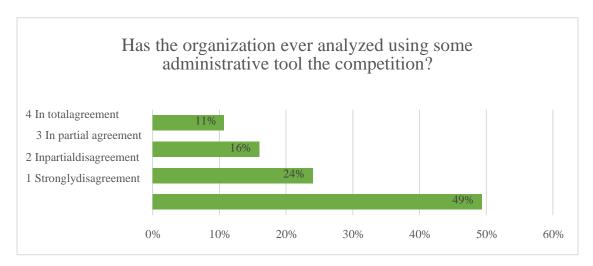


Figure 13. Analysis of the competition with administrative tools. The authors (2021).

To analyze the competition there are variety of theories that allow a clear and precise analysis, it is important to examine

the competition for and to develop better strategies. Where "information and knowledge are the strategic elements of competitiveness in organizations" (Pozos& Acosta, 2016). In the previous figure, it was possible to identify that almost half, that is, 49% of the companies have not analyzed the competition with some administrative tool, and 11% are in total agreement with the competition analysis. It was found that almost never advertising companies analyze competition with administrative tools, although in the field research some traders stated that, if they analyze it, but in an informal way.

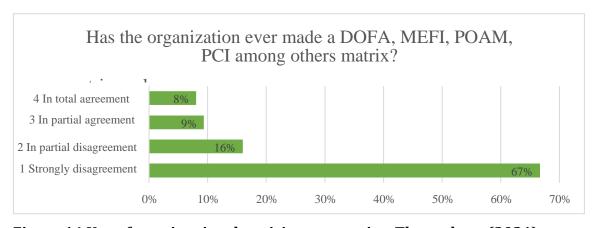


Figure 14 Use of matrices in advertising companies. The authors (2021).

The matrices of competition, weaknesses and strengths, of the profile abilities or profile of opportunities, threats in the environment, among many more analyses

matrices, help to define different aspects that can help route plans and projects of the company. It was observed that the majority, 67% of the advertising companies, are in total

disagreement, it could be inferred that the majority did not know them, on the other hand, only 8% know and use them, that is why they are in total agreement with the affirmation; leading to a level of compliance where companies almost never make use of these matrices; in the result of the figure 14 is evidence that the advertise rs and advertising agencies owners lack administrative knowledge.

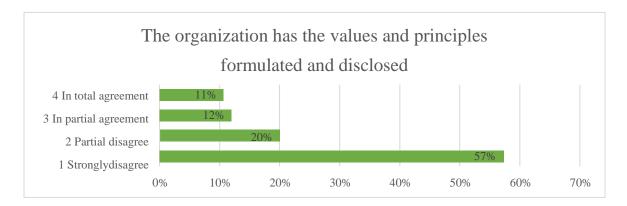


Figure 15. Formulation of disclosed values and principles. The authors (2021).

The structuring of the values that the company has or that it plans for its stakeholders to practice is necessary, since these values help to standardize the culture and policies of the organizations. In the figure above, it was observed that most, 57% of companies are in complete disagreement with have with the values and principles formulated as disclos ed. Only 11% say they are in complete agreement. In other words, companies almost never practice them. Company policies are the instrument to establish and disseminate the values of the organization, translated into patterns of conduct and processes to follow in certain circumstances (Casanovas, 2013).

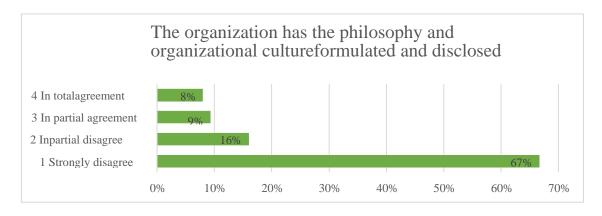


Figure 16. Formulation of philosophy and organizational culture. The authors (2021).

In the previous figure could be defined that 67% of companies surveyed do not count with the philosophy and organizational culture formulated and disseminated, only 8% is in total agreement with the above, concluding that companies they almost never have what is requested in the indicated item. It is important to highlight how the trained entrepreneur represents a valuable tool for the transmission of the culture and philosophy of the company. Therefore, it is intended to demonstrate that this same human resource can be a generator of knowledge and innovation, and is part of the intellectual capital that companies must develop (Pozos& Acosta, 2016).



Figure 17. Policies disclosed to your employees. The authors (2021).

The 64% of the companies of advertising is found in full disagreement with have organiz ational policies and disseminate them, only 9% are in total agreement, i.e. advertising companies rarely have organizational policies. According to (Casanovas, 2013) all organizations should have formulated and disseminated policies. The policies of business are the instrument to establish and spread the values of the organization, translated into behavior patterns and processes to be followed in certain circumstances.

#### **CONCLUSIONS**

In regard to matters of advertising, that is to say all the related with digital printing, corporate products, graphic design, business stationery, fitness space, web design among

many products and services more, the Barzal neighborhood is very popular in this area more or less since before 1990, becoming an agglomeration center for advertisers and advertising agencies.

Young companies are the majority with 57%, it was considered that, due to the national boom in business creation in the last 5 years, for Villavicencio.

It was concluded that most of the establishments are micro-enterprises, since most have less than 10 employees, but 73% have 1 to 5 employees in their companies.

In regard to the components of the platform strategy, the companies intervened, sometim es have a structured mission and vision. On the other hand, companies rarely pose strategies for dissemination and internalization of the mission and vision, which is creating uncertainty because

the mission and the vision are the first steps for the implementation of one good planning.

Most of the companies dedicated to advertising do not carry out strategies for continuous improvement and therefore do not involve the staff in these; On the other hand, according to the level of compliance it could be observed that in general the companies engaged in advertising almost never formulate strategies for improvement and disclosed.

Advertising companies sometimes develop short, medium, or long-term plans and in turn communicate them with stakeholders so that they know where to go and what goals to achieve.

Socialization of the results of their plans almost never done and almost never apply action plans to improve the performance of the same, hence the importance is stressed is the socialization of results to contribute to the improvement continued to correct the errors for improve performance.

## **Thanks**

Special recognition to Yarleicy Jaramillo Herrera and María Fernanda Jaramillo Rojas for their participation in gathering information and approaching the community under study.

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