
MARKETING STRATEGIES IN CONSTRUCTION

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Abstract: Marketing strategies applied by construction companies are diverse and cannot be defined in a single, unambiguous manner. These strategies combine marketing approaches typically used for durable and long-lasting goods with those applied to the sale of residential and commercial real estate, which are characterized by long sales cycles. The development of marketing resources, communication channels, and new sales techniques enabled by the Internet has resulted in the emergence of synergistic characteristics between product-oriented and service-oriented marketing strategies in the construction sector

Construction companies recognize these interconnections to varying degrees and develop their marketing strategies accordingly. In Kosovo, the construction sector is closely linked to overall economic development and represents one of the key industrial branches, due to its significant multiplier effects and high consumption of resources from complementary sectors. Consequently, it can be stated that the construction industry experienced substantial growth following the increased need for infrastructure reconstruction in war-affected areas.

One of the fundamental marketing challenges faced by construction companies is their behavior in situations of declining market demand, particularly with regard to covering operational costs and ensuring the return of invested capital.

Keywords: marketing, strategy, construction, sales, planning, pricing

1. INTRODUCTION

THE ROLE OF MARKETING IN INDUSTRIAL CONSTRUCTION

The rapid and intensive growth of the construction sector has contributed significantly to economic development at the national level. This growth has been directly influenced by increasing residential demand, population growth, and infrastructure requirements, as well as by market liberalization and the entry of new competitors. A historical review of housing construction indicates a continuous increase in population over time. Alongside demographic growth, changes in housing construction methods have occurred, which are directly related to the number of inhabitants and indirectly influenced by the macroeconomic environment.

This development strategy has enabled an increase in usable residential space and has resulted in housing units that are acceptable to the market, standardized, and well-equipped with accompanying infrastructure such as schools, kindergartens, and access roads (Franchini & Zori, 2024).

Modern marketing requires an organized and systematic approach that does not depend on a single individual or a specific group of people, regardless of their position. The construction sector is well known for significant fluctuations in demand for its products and services. During periods of high demand, construction companies can relatively easily secure projects, whereas during recessionary periods, supply significantly exceeds market demand (Kotler & Armstrong, 2013).

The role of marketing is to contribute to economic development without endangering living standards, as uncontrolled company growth is not beneficial for all stakeholders. Marketing plays a key role in price determination, promoting the reuse of materials that have already been utilized, and contributing to resource restoration wherever possible. These actions have a dual objective: reducing or eliminating the causes of environmental problems and mitigating the damage already created in specific sectors (Stamenovski & Jaqovski, 2013).

The emergence of mass markets has intensified competitive relationships in both domestic and international markets. To a greater or lesser extent, so-called generic competition has always been present, originating from alternative products capable of satisfying the same consumer needs. In addition, competition exists among different forms, designs, and variants of the same product, which do not always require new investment by competing companies.

It is important to emphasize that competition does not occur solely among similar or identical products produced by different domestic and foreign companies. There is also so-called cross-product competition for limited consumer income, as well as cross-technological competition. Competition also exists between individual industries and product groups. Examples of such competition include steel versus aluminum, metal versus wood, plastic versus metal and wood, and natural versus artificial fibers. By its nature, this form of competition is often more intense than competition within the same product group. Furthermore, competition has intensified among different production materials, various energy sources, and different modes of transportation (Kelmendi et al., 2022).

The function of marketing as an economic process is reflected in its role of linking production and consumption, thereby facilitating exchange and contributing to the overall process of economic activity. Moreover, marketing ensures the proper orientation of production toward the satisfaction of identified needs. In this context, marketing can be described as purposeful production, as it minimizes inconsistencies between supply and demand.

Marketing as a business concept implies positioning companies according to their role in the economy and society and emphasizes orientation toward identifying and satisfying the needs of citizens as consumers, as well as the needs of the economy and society for specific products and services. This concept is based on the understanding that in market-oriented economies, the survival and success of companies depend on the market itself. Consequently, all business activities must be driven by customer needs and demands, as well as by their challenges and problems.

In academic literature, the marketing concept is often referred to as **market orientation**, which implies not only operating in existing (already conquered) markets but also penetrating and developing new markets (Kotler & Armstrong, 2013).

2. MARKETING ACTIVITIES DURING CONSTRUCTION

Marketing instruments represent the means through which a company seeks to satisfy consumer needs and achieve profit. These instruments consist of the product, price, sales (distribution) channels, and promotion. By combining these elements, a marketing mix is formed, which constitutes the company's market offer. The concept of the marketing mix is based on the fact that consumers tend to evaluate all marketing instruments collectively rather than individually when making purchasing decisions (Franchini & Zori, 2024).

Marketing as a process is a dynamic category, as it operates in the real world and is subject to continuous change. As a scientific discipline, marketing has experienced remarkable expansion, unmatched by many other fields. In all market-oriented economies, the marketing concept has played a significant role, as markets and their governing laws have increasingly become the primary regulators of economic activity. The application of marketing continues to expand because market mechanisms have reached full expression and have transformed the overall system of economic relations (Nićin, 2012).

The objective of a marketing-oriented company is to identify consumer needs and ensure their adequate satisfaction, as this represents the key to achieving the fundamental goals of business existence, sustainability, and development. Consumer needs must be identified and analyzed, target markets determined, and production, sales programs, and other marketing activities planned accordingly. In addition, companies must identify methods that enable the efficient use of available resources and the achievement of competitive advantage in the market.

If a company fails to attract and retain customers as part of its mission, it cannot ensure long-term survival. Customer satisfaction should therefore remain the central task and ultimate purpose of all business activities within the company. Marketing is a business function that encompasses all activities necessary to identify, anticipate, and satisfy demand while achieving company objectives. Moreover, marketing enables the identification of the needs of citizens as consumers, as well as the needs of the economy and companies for specific products and services, and ensures that these needs are efficiently addressed through the production process (Kalač, Elfić Zukorlić, & Čatović, 2025).

Planning, organizing, and controlling marketing activities represent the core phases of marketing management. In the planning phase, decisions are made regarding objectives, policies, strategies, plans, and marketing programs. The organizing phase aims to integrate and harmonize all marketing activities, thereby aligning company capabilities with consumer needs. The organizational structure of marketing is reflected in the selected organizational model.

Control represents a phase of marketing management that permeates all other phases. While past results are essential for control, its primary purpose is to improve future business performance. Marketing planning is grounded in market research and its findings, with the objective of reducing business risks and uncertainties. The marketing plan should serve as the foundation for all other company plans, including production and financial plans. All company plans ultimately share a common objective: satisfying consumer needs while achieving acceptable financial results. Through marketing planning, answers are provided to the key questions of who, what, where, when, and how activities will be carried out within a given timeframe (Jakupi, 2000).

Cost calculation in construction is generally performed in the form of construction budgeting, which involves determining production costs and, based on these, establishing sales prices. It is important to recognize the risks inherent in investment projects, particularly those arising from low market prices or disruptions in the production process. Therefore, the objective of construction cost calculation is to balance the risk of low market prices with the risks associated with the production process (Stamenovski & Jaqovski, 2013).

Construction is among the oldest human activities and has undergone a long historical development, assuming various forms and systems over time. The objective of every construction project is to achieve positive economic

results, which are of equal interest to both investors and contractors. Every production process, including construction, is defined by three fundamental parameters: time, quality, and cost (Franchini & Zori, 2024).

3. PROMOTION STRATEGY DURING CONSTRUCTION

Economic propaganda (advertising) is a marketing instrument that has generated numerous opposing viewpoints. It is a costly activity with multiple functions and produces both direct and indirect effects on demand for promoted products in the short and long term. Advertising represents a component of the promotional mix and constitutes mass, paid, and impersonal communication between companies and consumers. The primary objective of advertising is to inform the market about the company and its products, stimulate consumer interest, and encourage purchasing behavior.

More specific objectives of advertising include building a corporate image, entering new markets, retaining existing customers, introducing new products or production lines, competing with rival firms, and reducing excessive inventories, among others (Jakupi, 2000).

Advertising planning is an integral part of the overall marketing planning system of a company and represents a complex process that defines advertising objectives for a specific period, the content of promotional messages, the selection of advertising media, the scheduling of advertising activities, advertising costs, and methods for measuring and controlling advertising performance. In order to ensure greater objectivity, advertising planning is based on the results of market research, including consumer behavior, market segmentation, competitive conditions, economic circumstances, stages of the product life cycle, and the degree of product novelty (Franchini & Zori, 2024).

The construction sector has traditionally remained largely confined within conventional frameworks regarding contractual relationships with buyers and investors, as well as the methods of contracting construction services. Only in recent times have efforts been made to test construction markets by analyzing the needs and capabilities of existing customers for construction products and services, on the one hand, and by identifying ways to satisfy the needs of construction companies, on the other.

Specialized companies in modern economies are particularly sensitive to cyclical market fluctuations. Therefore, it is essential for specialized firms to secure access to sufficiently broad markets for stable operations or to cooperate horizontally and vertically with a larger number of complementary companies. Problems arising from highly specialized production can be mitigated through the application of marketing, which primarily involves identifying mass demand for specific types of products and services. Economies of scale and mass placement of standardized products reduce risks associated with technically and technologically specialized capacities, which are otherwise characterized by significant rigidity (Kotler & Armstrong, 2013).

Price plays a crucial role in the marketing mix, whether used independently or in combination with other marketing instruments, as it directly enables the achievement of business objectives. Prior to service provision, prices must be determined and price lists established. Price represents the monetary expression of the value of goods and services in the market. Through pricing, a company generates revenue measured by market share and profitability.

The number of products and services a company can sell in a specific market and within a given period depends on the sales price set by the company. Any change in price affects revenue, sales volume, operating costs, and ultimately profit. To achieve sustainable profitability, pricing must become not only an integral part of the marketing strategy but also a core element of overall business strategy. Price is an instrument, not an objective, of marketing activities. In marketing theory, pricing is analyzed as a significant competitive tool and an indispensable marketing instrument, as well as one of the most sensitive elements of marketing policy (Infonet Group, 2025).

Cost estimation is a process encountered in everyday life, such as when planning vacations, purchases, or investments. Similarly, cost estimation in construction primarily aims to define the resources required for the implementation of an investment project. These resources include labor, materials, machinery, and financial capital. Accurate cost estimation provides essential input information for many key decisions during project implementation, including feasibility evaluation, determination of work volume and quality, contractor selection, procurement of materials, execution of additional works, and other managerial decisions (Kelmendi et al., 2022).

The marketing strategy of a construction entrepreneur represents a comprehensive set of actions and procedures designed to ensure success and long-term sustainability in the market. Strategy formulation is a process based on available information regarding prices, products, promotion, distribution, and competition, through which actions are planned to maximize profitability and competitiveness. Unlike fast-moving consumer goods, construction products with short- and medium-term cycles require specific marketing strategies due to a range of structural limitations.

Effective real estate marketing involves a combination of trust-building in construction quality, understanding client needs, and implementing strategic marketing tactics. By focusing on competitive advantages, leveraging personal and professional networks, and continuously improving marketing strategies, construction companies can

successfully attract clients, enhance brand awareness, and differentiate themselves within the highly competitive real estate industry (Novaković, 2022).

4. MARKETING DYNAMICS DURING CONSTRUCTION

Changes occurring in the business environment continuously create new opportunities while simultaneously eliminating existing ones; therefore, the marketing environment is in a constant state of transformation. These changes may be stimulating, frustrating, confusing, irritating, or refreshing. On the one hand, environmental changes can undermine established foundations across entire industries, and on the other, they can drive companies toward growth or even lead them to bankruptcy.

Effective observation of the marketing environment requires companies to continuously monitor, collect, and analyze environmental factors. The primary task is to understand how individual factors influence marketing instruments—product, price, distribution, and promotion—both in the present and over future time horizons. Monitoring environmental changes enables companies to accurately assess their current position and identify favorable opportunities, such as market growth or unmet consumer needs (Stamenovski & Jaqovski, 2013).

Sales promotion activities in relation to intermediary networks most commonly include offering credit facilities, providing additional products with orders, granting various monetary discounts, offering free services, conducting equipment demonstrations, organizing tastings, training intermediary personnel, arranging product displays, and participating in exhibitions and trade fairs. One of the most common forms of sales promotion is promotion at the point of sale, which includes window displays and in-store product exposure. This category also includes printed promotional materials supplied to retailers, such as brochures and catalogs.

Product demonstrations in retail outlets represent another important form of sales promotion, particularly during the introduction of new products. The effectiveness of sales personnel largely depends on their knowledge of the products they sell. Such knowledge is acquired through catalogs, training courses, audiovisual materials, and practical demonstrations. Sales promotion activities also encompass participation in exhibitions and trade fairs, where demonstrations, tastings, and presentations of key product features are conducted. These events represent specialized marketing institutions that facilitate direct interaction between buyers and sellers at a specific place and time (Infonet Group, 2025).

Sales force activities involve identifying potential consumers, establishing contact with them, selecting and delivering messages tailored to specific customer segments, assisting customers in purchasing decisions, providing advice and recommendations, responding to inquiries and objections, and demonstrating product usage. It is particularly important that communication results in a purchase, including suggestions for additional or complementary products.

After recruiting an adequate number of sales personnel, the efficiency of personal selling largely depends on the quality and selection of the sales force. Sales personnel must remain continuously informed about changes and developments within their area of responsibility, which necessitates ongoing training and education. Sales staff must possess thorough knowledge of the products they sell, the organization they represent, and the competitive environment. The costs and remuneration of sales personnel must be structured in a manner that aligns the interests of both the company and the sales staff. Motivation is achieved through appropriate reward systems, including material incentives (fixed salaries, bonuses, commissions) and non-material incentives (recognition and awards). Particularly motivating are systems in which sales staff earnings are directly linked to achieved sales results [2].

Personal selling consists of direct, individual communication, in contrast to mass and relatively impersonal communication forms such as advertising and sales promotion. The primary advantage of personal selling lies in its ability to target specific market segments without wasting time and resources on audiences outside the company's interest. Personal contact also allows the salesperson to perform additional tasks, including providing certain services related to the sold product. However, the main disadvantage of personal selling is its high cost, as it represents the most expensive form of marketing communication (Nićin, 2012).

The salesperson, as the central figure and primary carrier of personal selling activities, is responsible for promoting and selling products, advising customers, providing services, monitoring product usage, and supplying the marketing department with valuable information on customer purchasing behavior. The successful performance of these responsibilities requires that sales personnel possess comprehensive knowledge of product characteristics, company values and culture, customer psychology, and sales techniques (Jakupi, 2000).

5. CONCLUSION

Marketing represents a key factor in real estate sales and can significantly influence the success of transactions. In a dynamic real estate market, where competition is continuously intensifying, the ability to apply effective marketing strategies becomes crucial for attracting potential customers and achieving desired price levels.

The role of marketing in real estate sales extends beyond mere property promotion and includes the development of comprehensive strategies that facilitate communication with customers, build trust, and strengthen brand value. Marketing in real estate is therefore complex and dynamic. From market research and target audience identification to creative advertising and trust-building activities, every aspect of marketing contributes to successful sales outcomes.

The marketing strategy of a construction entrepreneur represents a comprehensive set of actions and procedures designed to ensure success and long-term sustainability in the market. Strategy formulation is a process based on relevant data related to pricing, products, promotion, distribution, and competition, through which actions are planned to maximize profitability and competitive advantage.

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