

## SECTION 4.

### MARKETING AND LOGISTICS ACTIVITIES

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## CONCEPTUAL PRINCIPLES OF MARKETING MANAGEMENT COMPETITIVE ADVANTAGE OF ENTERPRISES IN THE CONDITIONS OF THE DIGITAL ECONOMY

The problem of increasing the level of competitiveness of products in the conditions of further development of the economy is connected, first of all, with the development of a system of marketing management of competitiveness. Gaining and maintaining competitive advantages are key factors in the success of an enterprise in competition. This problem becomes particularly acute in conditions of increased intensity of competition in individual markets, where product manufacturers need to constantly monitor changes in demand and the cost of raw materials.

To ensure the competitiveness of enterprises, modern tools of marketing management are necessary, which would allow taking into account the increasing competition, instability and unpredictability of the external environment. Marketing management helps the company determine its place in the market, where there is fierce competition. Therefore, the problem of developing conceptual principles and practical recommendations for the implementation of marketing tools is important and relevant in the conditions of competition and rapid development of the digital economy.

The main approaches to the methodology of competition and competitiveness research are laid down in the works of such economists as M. Porter, D. Ricardo, A. Smith, J. Schumpeter. The theoretical foundations of the formation of competitiveness management are laid out in the works of A. S. Voronkova, V.M. Geitsa, T. I. Honcharuk, H. V. Kudenko, V. M. Polishchuk, Z. E. Shershnyova.

The essence of marketing approach to enterprise management characterizes it as a complex system that allows you to align the capabilities of business entities with the needs of the market and achieve advantages compared to competitors. Orientation of enterprises to use marketing approach usually requires changing the structure of their management.

For the first time, A. Smith defined competition as a force capable of establishing and regulating market equilibrium. In his research, Adam Smith considered competition as a struggle for the most favorable conditions of purchase and sale between buyers and sellers, respectively. J. Schumpeter determines competition as a rivalry between the old and the new, with innovations.

Competitiveness is revealed only through competition and under appropriate conditions. The competitiveness of the enterprise is the result of the interaction of factors that arose as a result

of the objective development of productive forces, which are reflected in the company's policy on improving goods and improving their quality, fighting for market share and making a profit.

To determine the competitiveness of products, you should know:

- specific requirements of future consumers for the product offered on the market;
- the expected level of demand for products and its possible changes;
- assessment of the potential level of the product's market price;
- competitive environment on the market of relevant goods;
- the main product characteristics of the main competitors;
- the most promising markets for the relevant product and stages fixing on them;
- the payback period of the total costs of the project related to the design, production and promotion of a new product to the market.

Enterprise competitiveness management is a certain aspect of enterprise management aimed at the formation, development and realization of competitive advantages and ensuring the viability of the enterprise as a subject of economic competition.

The purpose of competitiveness management is to increase the profit of the enterprise due to the use of specific marketing tools; ensuring optimal quality characteristics of products and prices from the point of view of target consumers by using a complex of production, economic and technological measures; implementation of the company's social mission and social communications.

The task of marketing management of the enterprise's competitiveness is to increase the volumes and profits obtained from the sale of products; increase in market share; reputation improvement; supply of new goods and services to the market. The marketing management system is integrated, includes a number of elements at different levels of the management system hierarchy.

Marketing management of the enterprise's competitiveness should be carried out by capable management, responsible employees, have an entrepreneurial orientation and flexible responsible activity.

Marketing management of competitiveness the enterprise provides the following measures: analysis of the enterprise's capabilities; conducting a marketing research system; study of the market situation; analysis of needs in the production of goods; research of competing enterprises; selection of the market for the sale of goods; development of strategies for action on the country's market and entering foreign markets; development of a marketing complex; development of the region's infrastructure; conducting exhibitions, fairs and PR campaigns; creation and maintenance of a positive image of the enterprise; control over the functioning of the marketing complex.

The main object of research in assessing the competitiveness of enterprises and determining the impact of the external environment is an analysis of the industry environment. Taking into account the influence of consumers on the formation of demand in a competitive market when planning the competitiveness of enterprises will allow manufacturers to adapt to rapidly changing economic conditions, minimize the negative impact of the consequences of the financial crisis and create an opportunity in further to obtain additional competitive advantages and more favorable positions on the market.

For a correct assessment of the state and prospects of activity enterprises must conduct a constant and comprehensive study of the internal and external environment of their functioning. This is possible with the help of various tools and methods.

In order to successfully operate on the market, increase the level of sales, make a profit, and expand the business, the enterprise must carry out marketing activities by performing successive stages of marketing. These stages of marketing include: marketing research, strategic marketing, operational marketing (Table 1).

Table 1

**Stages of marketing activity in managing the competitiveness of the enterprise**

Marketing stage	Characteristics of works
1. Description of the product, its characteristics	Development of a new product, evaluation of its consumer qualities and properties
2. Market analysis	Analysis of the market, including its stability, determination of needs for a new product, demand for it, development of pessimistic, optimistic and realistic forecasts of the development of events in connection with the product's entry into the market
3. Market segmentation	Reasoned selection of the most important market segmentation criteria; selection of possible segments, selection of attractiveness criteria of market segments for the enterprise, assessment of market segments using selected attractiveness criteria. Forecasting market capacity by segment for the period of implementation of the strategic plan of the enterprise
4. Strategy of marketing management of the competitiveness of the enterprise	Development of segmental strategies and the general strategy of marketing management of the enterprise's competitiveness
5. Sales forecast	Sales forecasting according to selected strategies

[author's development]

At each stage of marketing, it is necessary to carry out a competitive analysis, which will make it possible to forecast the capacity of the market segment by segment for the period of implementation of the company's strategic plan.

The main marketing measures in the management of the process of ensuring competitiveness are: improvement of the methods of developing the marketing complex, the use of price and product policy, trademarks and image, effective management of product distribution channels and the promotion complex.

The research of the marketing aspect of the competitiveness of enterprises is carried out in the following directions:

- assessment of the competitiveness of the product portfolio of enterprises;
- assessment of price attractiveness;
- research on the competitiveness of sales policy;
- research on the competitiveness of communication policy,
- assessment of the competitiveness of personnel.

Digital transformation in Ukraine affected various spheres. Many companies already use digital technologies for the needs of the client, and the amount of information is increasing. In such conditions, Internet marketing research becomes a necessary tool for gathering information.

An important aspect of Internet marketing research is the issue of their regulation. Requirements for Internet marketing research are developed by international associations such as ESOMAR, CASRO, ARF and others. In particular, ESOMAR issued a directive designed to protect both the interests of Internet respondents and those who provide Internet research results [1].

Modern marketing technologies that should be used by enterprises in order to gain stable positions in the market and effective functioning [2].

CRM – customer relationship management systems (aimed at studying the market and consumer needs, managing interactions with existing and potential customers. Customer relationship management - a concept that encompasses concepts used by companies to manage customer relationships, including collection, storage and analysis information about consumers, suppliers, partners and information about relationships with them.

Modern CRM is aimed at studying the market and specific needs of customers. Based on this knowledge, new products or services are developed and thus the company achieves its goals

and improves its financial performance. There are three CRM approaches, each of which can be implemented separately from the others:

- operational (automation of consumer business processes that helps customer service personnel to perform their functions);
- collaborative (the program interacts with consumers without the participation of customer service personnel);
- analytical (analysis of information about consumers for various purposes).

Viral marketing (technology that allows you to spread information about a company, product or service in the shortest possible time; the rapid spread of social networks contributes to the development of viral marketing and increases its effectiveness).

One of the main tasks of digital marketing is to connect offline audience to the company's online channels. Every enterprise selects available communication channels based on the specifics of its own business resources and characteristics of the target audience. Formats are constantly changing communication of users in the network, people migrate to new communication methods platforms, master new ways of finding information necessary for adoption consumer decisions. Enterprises must follow market trends and find optimal tools for communication with target audiences.

Currently, digital marketing is understood as comprehensive marketing a policy that uses all available digital technologies to reach the target market segments as much as possible. Digital marketing provides solutions to the following tasks: promotion a new trademark or new product; increasing the level of brand recognition; support and improvement of brand reputation; sales promotion. As mentioned above, when solving the specified tasks, any can be used online and offline communication channels. The goal of digital marketing is to provide maximally effective integrated use of all involved channels [3].

Marketing Internet technologies (contribute to the expansion of the company's capabilities in the promotion of goods and services and more effective satisfaction of consumer needs with the help of information communication technologies).

Integrated marketing communications (ensure effective interaction with customers due to the integration of all communication tools).

Branding (presupposes the creation of long-term attachment to the product). Brand and branding are important components of any company that plans to develop and expand its influence in the market. Branding involves a whole set of marketing measures to develop the image and consolidate long-term relations with the consumer. Thanks to it, a unique style is created, the value of the product increases and trust in the company is formed.

A vivid illustration of why branding is so important are examples known all over the world – Apple, Ikea, Coca-Cola, Google. Consumers know these names and can immediately tell what products the company offers on the market and why they have gained such popularity and love. And it depends on how companies position themselves and what emotions they evoke in consumers.

The purpose of branding is to create a clear, understandable and positive way to increase company recognition and loyalty to it. Branding should demonstrate the importance and value of the product to the audience, as well as distinguish the company from competitors.

Cross-marketing (a mutually beneficial partnership of two or more enterprises, which involves the joint implementation of marketing programs for the promotion of related goods and services). Cross-marketing is a joint effort between two or more companies to promote their products. The main goal is to attract customers, expand the customer base, advertise the product and, of course, increase sales. Such cooperation provides many advantages. Usually, cross-marketing is divided into two main types depending on the period of validity. Tactical cross-marketing is a short-term partnership. That is, the promotion is held once. For example, a company that sells laptops offers a mouse from a partner brand as a gift for a limited time.

Strategic marketing – long-term cooperation. In this case, mutually beneficial measures take place repeatedly or continuously. An example is the provision of a free SIM card with the purchase of a smartphone.

Cross-marketing promotions are long-term. In order for cross-marketing to bear fruit, you can use different methods, each of which is effective in a specific case. The most common cross-marketing tools are as follows. Cross-advertisement – promotion of products from partner companies in an interesting interpretation. Cross-promotion is the purchase of goods of two or more brands on favorable conditions for the client.

Tasting – customers of the supermarket can try the products of the partner manufacturer. Demonstration – business cards, coasters and other accessories with information about the brand in a cafe, restaurant, etc. Sale - the selling company sells its partner's products, for example, in a car showroom, they offer to install a car alarm system. Joint production is the creation of products whose components belong to different companies. For example, Milka chocolate with Tuc or Oreo cookies.

Advantages of cross-marketing:

- saving financial resources;
- increasing the client base;
- sales and profit growth;
- the uniqueness of the joint offer.

Under modern conditions, marketing technologies are gaining more and more importance in managing the activities of enterprises in general and in the formation of competitive advantages, in particular. The use of these technologies will help enterprises achieve their marketing and management goals. They contribute to the achievement of marketing goals by developing competitive marketing strategies. The practical use of marketing technologies will enable enterprises to choose the most effective marketing measures in a specific market situation, justify the choice of marketing tools and optimize marketing processes.

The formation of the marketing mechanism of enterprise competitiveness management includes [4]:

- formation of corporate culture;
- improvement of the organizational structure of management of enterprise;
- implementation of a logistics system for managing production resources and selling food products;
- improvement of cost accounting for the production of commodity products;
- development of a new methodology for the formation of costs for the production of agricultural products in the enterprise;
- improvement and enrichment of the normative base of the enterprise;
- changing the paradigm of scientific and technical progress and the quality system for goods;
- formation of the environmental policy of the enterprise;
- implementation of new management approaches;
- implementation of the innovative mechanism of enterprise development.

**Conclusions.** When developing marketing programs, the principles of marketing management, in particular, the principle of studying the features and patterns of market development, monitoring and formation of a single information base, the principle of adaptation to mobile environmental conditions and the principle of maximum impact on the domestic market.

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