

THE BASES FOR THE DEVELOPMENT OF A STRATEGIC MARKETING TOOLKIT FOR AN INDUSTRIAL ENTERPRISE

Kateryna Kutsenko¹

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Abstract

Nowadays marketing plays an important role in the business activity of an enterprise. Modern changes of external environment induce enterprises to search for new ways of development and introduction of new marketing strategies. Marketing tools help the enterprise to carry out market analysis, customer attraction, sales, etc., all of which are crucial factors for the enterprise's success in the market. However, there are many different methodologies and tools in modern marketing management theory and practice, making it difficult to determine the development position for an enterprise and choose the appropriate strategic tools for its implementation due to incessant changes.

Keywords: *marketing; marketing activity; marketing strategy; development; strategic management; industrial enterprise; strategic tools*

JEL Codes: *A10, M10, M31*

1. Introduction

At the time of the establishment of marketing as a science, it was a tool aimed at the promotion of goods in the sales market. Marketing activities were more focused on the active sale of goods while, the consideration of consumer needs was not defined as a weighting factor. The fundamental theories of marketing were introduced by F. Kotler. "Marketing Essentials" was the first to systematize and generalize the knowledge of marketing, which previously belonged to separate sciences, and allocated it into a separate specialty (Berman, 1990). B. Bearman, J. Evans "Marketing" introduced the concept of marketing, taking into account and focusing on market needs in organization of production and sale of products. It also considers marketing as an entrepreneurial activity, managing the promotion of goods and services. The theories founded by these scientists are perceived by domestic scientists of those years as classical. This is evidenced by the content of the works of such scientists: A. V. Voichak (Voichak, 1998), V. G. Gerasimchuk, A. F. Pavlenko. It is the increase of competition in the market that prompts the expansion of marketing tools and begins the formation and development of strategic tools of marketing

¹ Simon Kuznets Kharkiv National Economic University, Department of international economic relations, Postgraduate student; e-mail: ekaterina.markina994@gmail.com, ORCID ID: 0000-0002-2080-6218

activity of enterprises. At present, there are a number of scientists who combine the specifics of the domestic market with marketing theory in the results of their research, among them are A. B. Voichak, V.G. Gerasimchuk, N.V. Kudenko, M.A. Oklander (Oklander, 2001), P. A. Orlov (Orlov, 2014). Marketing activity of an enterprise is influenced by various factors, such as changes of technological character, innovations, consumer preferences, etc. The key to successful activity of an industrial enterprise is the search for new approaches to the development of strategic tools of marketing activity.

2. Results and Discussion

The notion of tools is considered in the methodology of science as methods, techniques and means of analysis, organization, management and control used to achieve the objectives of the enterprise. The activities of an enterprise involve primarily the process of marketing management. The article deals with strategies according to the functions and tasks of marketing.

In order to form the subject area of the study it is necessary to define the basic concepts (Table 1) and to identify the relationship between them.

Table 1. Defining the basic concepts of the study

| Term | Definition |
|--|---|
| Strategy | A general, non-detailed plan for an activity, covering a long period of time, a way of achieving a complex objective, which is uncertain and central to the manager at the moment, and which will be further adjusted to the changing conditions of the company's existence. The task of strategy is the effective use of available resources to achieve the main goal. |
| Marketing management process | It is a sequence of managerial actions aimed at implementing marketing functions and principles that should result in the identification and satisfaction of consumer needs and the expected profit of the firm. |
| Methodological support for the management of marketing activities in an enterprise | This is a wide range of methods, measures of a strategic and tactical nature aimed at improving and making the marketing activities of an enterprise more efficient. (devised by the author) |
| Strategic tools of marketing activities | Methods, techniques, organizational forms and tools, means of strategic management of marketing activities to realize the objectives of an enterprise. (devised by the author) |

Source: Developed by the author based on sources Berman, 1990; Oklander, 2001

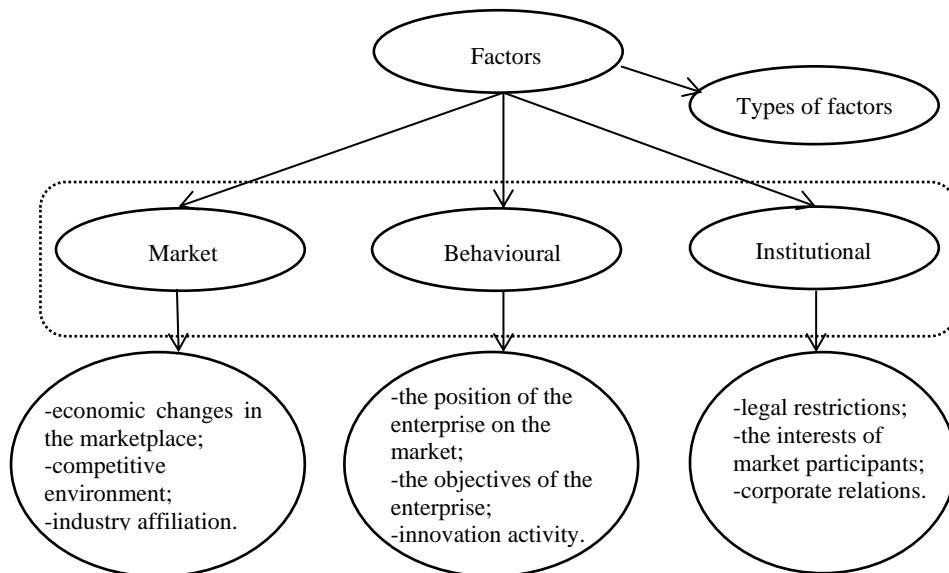
Table 1 clearly illustrates the inter dependency between all the concepts. Thus, the existence and functioning of an industrial enterprise is a process of development, which can be regressive or progressive depending on the circumstances. Therefore, development of strategic toolkit of marketing activity represents a clearly directed regular change of tools, means and methods of strategic management of marketing activity in order to realize the objectives of the enterprise. It is necessary to define strategic targets of the enterprise in order to establish a well-functioning system of management. Strategic toolkit of marketing activity represents an integral part of complex strategy of enterprise development and is formed based on external and internal factors.

External factors include factors which form economic and legal environment of the enterprise, competitive environment and sales market.

Internal factors include documented framework/rules of the enterprise, and factors and indicators, whose effectiveness contributes to increasing the competitiveness of the enterprise. It is not possible to build the enterprise's development strategy without formation of strategic tools of marketing activity of the enterprise in view of its branch affiliation.

The basis for the approaches to the development of strategic tools of marketing activity is the factors influencing the marketing activity of the enterprise.

Figure 1. Grouping of factors influencing the marketing activity of the enterprise



Source: Developed by the author

The enterprise's development has a strategic character, therefore, marketing strategies play an important role in theoretical approaches to development of strategic tools of marketing activity of the enterprise. Marketing strategy is a vector (direction) of enterprise actions to create its target market position (Kudenko, 2002). Market position is the activity in relation to competitors and consumers. Marketing strategy determines the direction of enterprise actions in relation to various stakeholders, among which the consumer or competitive market. It's represents a weighty functional component, the implementation of which strengthens the position of the enterprise in the existing competitive environment (Kotler, 2009).

The NV magazine and MPP Consulting have compiled a ranking of the most expensive brands in the country. The 'golden hundred' of Ukrainian brands increased in value by 4.7% in 2020. According to the website, "NV BUSINESS", the development of successful Ukrainian enterprises is facilitated by an innovative approach to marketing activities, for example:

- Morshynska company initiated a unique marketing project "Voice of Water", during which the play of musical instruments in Carpathian water bodies was recorded.

- Nova Posta innovated in services and customer market expansion. It became a leader in its segment and outperformed many competitors with the help of information technology.

- Rozetka implemented IT technologies to buy tickets through its online shop and has launched the Rozetka Travel online travel service.

The valuation methodology is based on the financial performance of brand owners, as well as factors that may influence brand value - geographical sales coverage, technological component, and investment attractiveness of the industry. With this in mind, it can be concluded that marketing strategies are essential to the success of an enterprise.

Marketing strategy of the enterprise has certain features:

- it is developed considering marketing researches;
- it defines market segment;
- it acts as the tool of realization of marketing purposes of the enterprise;
- it defines bases of competitive struggle;
- it is the form of development of strategic toolkit of marketing activity of the enterprise.

The process of shaping a company's marketing strategy is divided into several stages. The first stage in the formation of the marketing strategy of an enterprise is a comprehensive market research. The results of this analysis determine not only the state and density of the competitive landscape in the market, but also the basic behavioral patterns of potential buyers.

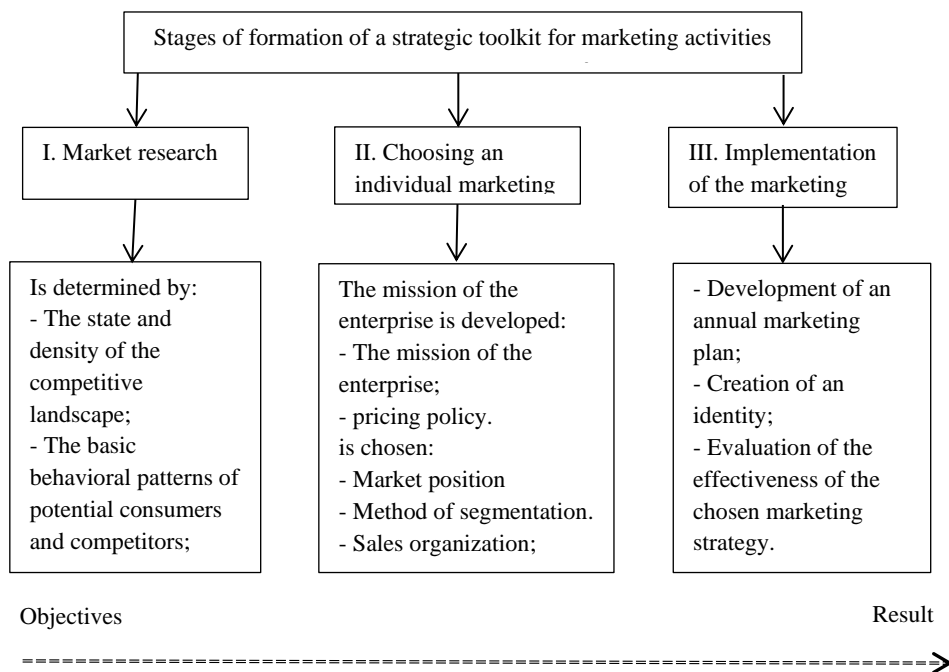
The development of an individual marketing strategy represents the second stage. During the second stage you elaborate company's mission, general vision and

market position, select market segment, choose priority market segments and position the company. Pricing policy, product modification, sales organization, human resources and customer service management are also developed.

At the third stage, marketing strategy is implemented. This process includes development of an annual marketing plan, creation of the image of the enterprise, assessment of efficiency of the chosen marketing strategy and the measures taken (Kotler, 2009).

Density of business environment and constantly increasing level of competition create conditions when it is not enough to use one strategy for stable functioning. For development of the enterprise, its strategic toolkit should contain the whole system of strategies for maintenance of its development in the chosen segment of the market. The formation of the strategic toolkit of marketing activities is shown in Figure 2.

Figure 2. Stages of formation of strategic toolkit of marketing activity of the enterprise



Source: Developed by the author

Strategic toolkit is based on the necessity of each enterprise to develop in the chosen market, to enter new markets, to maintain the market share it holds and, if necessary, to withdraw from an economically unprofitable market. Qualitatively developed marketing strategy is always aimed at increasing competitiveness of the enterprise, at the same time negative consequences of incomplete use of marketing

tools may result in loss of the captured market share and even bankruptcy of the enterprise. Legal regulation is an important aspect for the development of strategic tools for marketing activities. It regulates the interests of stakeholders (competitors, consumers, enterprise, government), regulates the international activities of the enterprise and is the basis of the institutional approach, which has a significant influence on management decision-making.

Functions, as components of the marketing system, act as means to implement the marketing strategy of the enterprise. It is expedient to distinguish four blocks of complex functions each of which contains sub-functions in its structure (Table 2).

The system of strategic marketing tools of the enterprise functions depending on the basic corporate strategy adopted by the enterprise and always corresponds to the set marketing goals. In addition, according to the economic environment and the objectives of the enterprise, the top management of the company may choose additional marketing strategies, such as:

- a) market promotion;
- b) distribution;
- c) product-to-commodity;
- d) price strategy.

Table 2. Types of strategic tools according to marketing functions

| The functions of marketing | | | |
|--|---|--|---|
| <i>Informational and analytical</i> | <i>Production</i> | <i>Distribution</i> | <i>Administration</i> |
| - Market analysis and segmentation; - Customer analysis; - Analysis of the company's internal and external environment. | - Organization of goods production; - Management of competitiveness and product quality. | - Organization of the goods distribution system; - Establishment of a sales policy. | - Organization, implementation and monitoring of the marketing activities. |
| Types of marketing tools according to marketing functions | | | |
| - marketing surveys; - questionnaire; - consumption experience; - digital transformation (opportunities and impact); - predictive analytics. | - product policy; - CRM competitive differentiation. | - sales incentives (coupons, test samples); - internal marketing; - public relations (radio, television broadcasting); - advertising; - internet marketing; - PR. | - repositioning - socially responsible marketing; - marketing management. |
| Marketing - mix 7P (Product, Price, Promotion, Place, People, Process, Physical Evidence) | | | |

Source: Developed by the author

Thus, in the promotion strategy it is important not only to ensure a constant volume of sales, but to plan measures that can be implemented in the company, and the implementation of which will increase demand for its products. In other words, this strategy aims to create the most advantageous position for an individual product in each individual market. The tools available to achieve this goal can vary from public relations to special services to flexible pricing.

With the implementation of a distribution strategy, the efforts of the company's marketing activities are concentrated on the creation of a sales system for the product.

A product/commodity strategy focuses on factors that increase the competitive advantage of the product on the market. Such model of behavior forms consumers' opinion about consumer value of goods and services of a particular enterprise. Putting this strategy into practice requires paying particular attention to the effect or influence that this model will have on the level of sales of existing products (which the firm already produces) when introducing new product and merchandise strategies. In addition, important quality factors for these strategies are: export capabilities of products, clear definition of product/service life cycle, level of product competitiveness in the existing competitive environment, efficiency of use of resources and production potential of the enterprise, quality of market research carried out, appropriately chosen target audience, etc.

3. Conclusions and Recommendations

The choice and intensity of marketing strategies depend on many factors, both external and internal. In particular, the presence of competitors in the chosen market segment plays an important role. Irrespective of the chosen marketing strategy, using a systematic approach to the formation and implementation of behaviours will ensure faster achievement of objectives.

Namely the innovative approach, introduction of the newest technologies and developments is the pledge of sustainable development and grant of success of the enterprise and serves the formation of new types of strategic tools of marketing activity.

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