СЕКЦІЯ V. МЕНЕДЖМЕНТ, ПУБЛІЧНЕ УПРАВЛІННЯ ТА АДМІНІСТРУВАННЯ

THEORETICAL FOUNDATIONS AND APPLIED ASPECTS OF DEVELOPMENT AND IMPLEMENTATION OF MARKETING SOLUTIONS IN PRODUCTION ENTERPRISE'S MANAGEMENT

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Summary. *The article explores the gradual evolution that has taken place with the development, transformation, and implementation of marketing solutions in managing a production enterprise. The basic directions of developing marketing opportunities for production enterprises are examined, focusing on deep market penetration, expanding market boundaries, developing and selling new products, diversifying production and sales, as well as their combinations. For each of the mentioned options, the features (advantages and problems) of its implementation are studied. The expected prospects for the development of the enterprise after choosing a certain option are also shown.*

The development of economic (entrepreneurial) entities operating in market conditions occurs by implementing existing and potential market opportunities.

Market opportunities are understood as the areas of activity that are open to an enterprise depending on the external conditions (economic, political, legal, social, demographic, and environmental) in which it operates, as well as the specifics of the enterprise itself.

According to I. Ansoff [1] and following the principles proposed by Ph. Kotler [2] of the principles of organizing marketing activities, focused on the search for external and internal opportunities for the long-term survival and development of commercial organizations (production improvement, product improvement, intensification of commercial efforts, intensification of marketing efforts), there are four directions for the development of market opportunities (Table 1).

Table 1

Options for developing market opportunities of an enterprise

Options	Activities to implement options
1. Deep penetration into the market	Aggressive pricing strategies
	Sales simulation activities
	Expansion (reform) of the sales network
	Using Multi-Level Marketing
	Development of a range of related services
	Lending to consumers, providing products for rent, leasing, etc.
	Selling a product with a guarantee to accept it

Continuation of Table 1

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2. Expanding market boundaries	Entering new regions
	Reaching new segments
	New ways to use a traditional product
3. Development and sale of a new product	New modifications of a traditional product
	New products that replace previously manufactured ones
	New products that satisfy existing needs in a different way
	Fundamentally new products
4. Diversification of production and sales	Offering new products in new markets that develop traditional areas of the enterprise's activities
	Offering new products in new markets that are not related to previous activities
	Focusing on a market niche
5. Combined options	

Formed using [1], [2]

However, as practice shows, within the identified areas, various options for the development of market opportunities are possible, significantly differing in the degree of radicalization of changes introduced into the activities of an economic entity and its relations with consumers, business partners, and investors, resource needs, degree of risk, efficiency, etc., which the traditional classification does not take into account. In addition, the specifics of the development of the Ukrainian economy impose limitations on the choice of development options. Market opportunity development options can be used in various combinations.

There are other classifications of options for developing market opportunities, for example, shown in [3], [4]. However, as given in Table 1 is more general, and alternative classifications are a special case of it.

Let us consider the systematization of options for the development of market opportunities by modern unstable conditions, carried out based on an analysis and generalization of approaches to the development of market opportunities known in the scientific literature, and the work practices of domestic and foreign economic and entrepreneurial structures [5].

The introduction of market-oriented elements, accompanied by the introduction of innovations, is certainly relevant for most Ukrainian enterprises.

However, innovative development in the unstable conditions of a transition economy has several features and associated problems that complicate the search and justification of options acceptable for a specific business entity in a specific market situation [5]. We will conduct an in-depth analysis of the main options for the development of market opportunities from the point of view of the features of their implementation. We will pay special attention to the problems of implementation and development of market opportunities (see options in Table 1).

The first opportunity is *deep penetration into the market (market development) is carried out in the following ways* [6].

• Price reduction. The main problem is that to implement this option, investments are required in high-performance equipment, new technologies, new materials, new types of raw materials and energy, etc. (innovation). In this way, it is possible to ensure a reduction in costs and, accordingly, a reduction in prices, which can ultimately lead to an increase in consumption intensity and sales volumes. Return on investment is ensured by increased sales volumes.

• Carrying out a set of sales promotion activities: advertising, propaganda, personal selling, sales promotion. The main problem is to stimulate the development of intellectual values: knowledge, experience, talent of advertising specialists and other components of the sales promotion complex.

• Reforming or expanding the sales network. The main problem is the necessary investments to reform the distribution (sales) and product distribution system: restructuring of sales channels; expansion of the network of trade enterprises; acquisition of retail equipment and order processing equipment (for example, computer equipment); expansion of the warehouse network in the sales territory; expansion of transport facilities, etc.

• Using multi-level marketing. The main problem is that this option is more acceptable for several groups of consumer goods; its use is complicated for the sale of industrial goods; in addition, in some countries, its use is legally limited.

• Development of a range of related services. The main problem is the necessary investments in the development of specialized units, centers for repair, modernization, configuration, and maintenance of manufactured products; in creating a system of certificate centers for examination and product certification; creation of centers for training and/or retraining of users of enterprise products, etc.

• Lending to consumers, provision of products for rent, leasing. The main problem is the need to carry out accurate forecast calculations of the profitability of these operations since the income received in the long term when using this option must cover losses in the short term, since payments for the products provided are received over a long period, and the costs for this product are already incurred.

The second opportunity is expanding the boundaries of the market (searching for new consumer groups, and new markets for existing products) is carried out in the following ways [7].

• Expansion to other regions. The main problem is the necessary investments in marketing research, preparation, and implementation of incentive package activities, formation of a sales network, etc. A product that is in demand in some markets, in some regions, may not be in demand in others as a result of differences in consumer demands (territorial risk).

• Coverage of new segments in the same regions. The main problem is the necessary investment in research into the possibility of using existing products by different consumer groups; in the formation of a sales network; in sales promotion.

• Mastering new ways, and new industries of using existing products. The main problem is the necessary investment in research into the possibility of multi-purpose use of existing goods, the search for new industries for their use; the formation of a sales and distribution system; sales promotion, etc.

The third opportunity is development and sale of new products in existing markets involves the following ways [8-9].

• Introduction of new product modifications. The main problem is the necessary investment in marketing market research, in the development and testing of new products, for production preparation (technical, organizational, etc.), for the formation (reform) of the sales and distribution system, and for sales promotion.

• Release of new products replacing previously produced ones. The main problem is maintaining certain proportions between the degree of novelty of the product and the degree of compatibility with the products it replaces so that the new product is accepted by consumers and has greater utility than the basic models.

• The release of new products that satisfy existing needs, but in a different way than traditional products. The main problem is that the manufacturer must learn to distinguish between the needs and demands of consumers and focus its activities on finding new ways to satisfy existing needs.

• Production and sale of fundamentally new products. The main problem is the necessary investments to identify potential consumer needs, to create new needs and requests. This necessitates the use of specific methods of market research, forecasting possible directions and rates of development of scientific and technical progress, changes in the economy, and socio-political and environmental changes.

The fourth opportunity is diversification of production and sales (market formation) involves the following ways [10-11].

• Offering new products in new markets that develop traditional areas of the enterprise's activities. The main problem is the necessary investment in marketing market research (studying the specifics of requests in different market segments or different markets to enter them with different modifications of goods); in the development of new (modified) products; for preparation of production; on the formation (reform) of the sales and distribution system; for sales promotion

• Offers in new markets are diverse in their purpose and scope of application of new products, including those not related to the previous types of activity of the enterprise. The main problem is the necessary investment in marketing research, the development of new products, the formation of a sales system, the formation of an incentive system, and the preparation and development of production of various types of goods, which can differ sharply in their technical and economic characteristics. The investment volumes are the largest of those considered.

• Orientation of the enterprise's production and sales activities to relatively small parts of the market with clearly defined specifics of consumer needs - market niches. The main problem is the necessary investment in marketing research aimed at continuously searching for market niches; frequent reorientation of production, promotion, and sales; to develop new products. The need to maintain high efficiency and flexibility of production departments; the small size of market niches limits the possibility of using this approach for large enterprises.

Table 2 shows a comparison and substantiation of options for the development of market opportunities of production enterprise. So, we see directions of activity, proposed strategy, functional strategies, variants of development (formation) of target markets, and measures to implement the strategy. At the same time, it is important to consider the indicative characteristics of the external environment and the characteristics of the enterprise, which can be used in solving practical problems of implementing market-oriented elements (for example, the introduction of market-based projects for their innovative development).

The *main market opportunities* include high prices for competitors' products (due to high production costs or other reasons), which allows the use of a low-price strategy; elasticity of demand relative to price, which allows increasing sales volume and income by reducing prices; insufficient awareness of the target audience about the company's products; the presence of a well-established and time-tested sales network and reserves for its development; insignificant assortment and low level of service provided by main competitors; possibilities for the production of related goods and services; the presence of needs for pre-sale preparation of goods and after-sales service; the presence of a legislative framework and well-functioning mechanisms for consumer lending, provision of products for rent, leasing; growth of market capacity (actual or expected) [12].

Table 2

Comparison and substantiation of options for the development of market opportunities for production enterprise

Direction of activity	Preservation of the existing line of activity	Introduction of new areas/lines of activity
Proposed strategy	The strategy of deep introduction to the market	Production and sales diversification strategy
Functional strategies	1. Implementation of sales promotion measures (advertising, sales promotion, etc.). 2. Expansion (reform) of the sales network, including: • choosing a mixed structure of sales channels; • optimization of the number of sales system channels; • redistribution of functions between different participants of sales channels, etc.	Offering new products in new markets that develop the company's traditional areas of activity, i.e. production and introduction of various modifications of traditional products instead of traditional ones to new market segments. Each of the products is aimed at satisfying the specific needs of consumers in the corresponding market or its segment.
Variants of development	Development of the target market	Formation of the target market
Measures to implement the strategy	• When carrying out a set of measures to stimulate sales, it is worth investing in intellectual values: knowledge, experience, talent of advertising specialists, other components of the stimulation complex. • The effect should be manifested in the growth of sales volumes as a result of bringing information to a larger number of consumers, stimulating consumption. • The return on investment will be ensured by increasing the volume of product sales. • When reforming or expanding the sales network, investments are needed to reform the distribution (sales) and goods movement system: restructuring of sales channels; expansion of the sales network; expansion of the network of warehouses in the sales territory; expansion of the transport industry, etc. • The effect should be manifested in the growth of sales volume due to bringing the product to a larger number of consumers, providing more favorable purchase conditions.	• When offering new products in new markets that develop the company's traditional areas of activity, investments in market research are necessary (researching the specifics of requests in different market segments or different markets to enter them with different product modifications); in the development of new (modified) products; for production preparation; on the formation (reformation) of the sales and goods movement system; for sales promotion. • The effect will be achieved by increasing the total volume of sales of the company's products as a result of reaching new markets and selling new products. • The probability of receiving a stable income increases because depending on the change in demand, you can alternately receive income at the expense of different goods

Formed using [10]-[12]

The *main market threats* include: the presence or emergence of new strong competitors; availability of substitute goods; lack or weakness of the sales network; non-perception of stimulation methods by the target audience; drop in market capacity; unstable business conditions; imperfect legislation; lack of well-functioning market mechanisms; decline in business activity; a sharp change in consumer needs and demands; unfavorable demographic, social, political, economic, legal, environmental and other changes [10].

Next, we will consider the characteristics of the internal environment (typical strengths and weaknesses of the enterprise). The main typical strengths include the following: high reputation among consumers and partners; qualified, energetic management using non-standard, creative working methods; constant contact with consumers, business partners, trade and distribution intermediaries; highly qualified specialists and workers; wide range of products; modern production facilities with high flexibility of use; reserve of production capacities and production areas; competitive products and competitive production; experience in developing new types of products following international standards; reliable suppliers of raw materials, materials, energy, components; proximity to transport hubs; high financial strength; experience in the foreign market [7].

The main typical weaknesses include the following: lack of clear strategic development prospects; competitive position that is deteriorating, vulnerability to competitive pressure; low financial strength; lack of knowledge of the market; weak production capabilities; strict enterprise integration; large size and complexity of management; outdated products and technologies; low product quality; unreliable supplies; ignorance of competitors; outdated equipment; lack of reserves of production capacity and space; lack of well-established product sales channels; complex and ineffective management system; reluctance to change on the part of the administration, adherence to established stereotypes of activity [6].

These characteristics are basic and can be supplemented or modified to analyze the market opportunities for innovative development of specific enterprises.

Conclusions. The gradual introduction of market-oriented elements into the management of Ukrainian organizations is the best means of their gradual adaptation to a dynamic environment. In its simplest form, these could be elements of the marketing mix. The highest level of adaptation of an enterprise to market conditions is considered to be the introduction of justified innovations into its activities.

Over the years of introducing market changes at Ukrainian enterprises, a certain evolution has occurred, associated with the transition from survival to stability and the study of growth prospects. Accordingly, the priority problems of enterprises and the tasks in introducing market-oriented elements have changed. When choosing options for developing market opportunities for enterprises, it is important to conduct an appropriate comparative analysis and select the most suitable one. There are 4 possible directions for the development of market opportunities of enterprises: 1) deep penetration into the market; 2) expansion of market boundaries; 3) development and sale of a new product; 4) diversification of production and sales.

When using the results of the systematization of options for the development of market opportunities of business entities, it is possible to purposefully consider and explore the features of the implementation of each of the development options, identify existing problems, and find ways to effectively solve them in the conditions of market transformation of the Ukrainian economy. This allows you to conduct an orderly search for options to select the optimal ones for a particular enterprise in a specific market situation, considering possible prospects for its development.

To better assess each of the proposed options for developing the market opportunities of an enterprise, it is necessary to take into consideration the features of their implementation. Particular attention should be paid to the problems of introducing individual options and developing the market opportunities of enterprises.

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