Trajectory of marketing function – from traditions to innovations

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Purpose – to review modern marketing concepts, definitions of the constituent elements in the marketing system at enterprises and to substantiate the basic postulates underlying the development of innovative marketing at enterprises in order to improve competitiveness of products.

Design/Method/Approach. In the course of the study we used methods of theoretical generalization, reasoning and abstraction, as well as analytical, monographic, dialectic methods.

Findings. We have revealed the essence and content of the concept of marketing. It has been substantiated that the development of marketing support is a sophisticated dialectical process of interaction between factors from the external environment and the targeted influence of drivers associated with the production of competitive products that satisfy certain market needs. We have reviewed and substantiated the essence, objectives, basic tools and principles of marketing function. We have developed and scientifically substantiated organizational components in the innovative marketing at enterprises based on ensuring the coordinated interaction between their innovation and marketing activities. The essence, content, and principles of the term “innovative marketing” have been defined. We propose a classification of varieties of innovative marketing depending on their functional belonging.

Practical implications. Results of the study can be used in the development of proposals related to the effective formation and application of marketing at an enterprise.

Originality/Value. We have devised a classification of the marketing function at an enterprise. The basic principles of marketing function have been substantiated. We have defined the methodological provisions for studying the marketing function at an enterprise. The essence, content, and structure of innovative marketing have been determined as an important and integral component of conducting an economic activity by an enterprise, which implies the creation of a fundamentally new product (good, technology, service); the application of innovative marketing has been emphasized for improving business processes at an enterprise.

Research limitations/Future research. The task is to develop an effective mechanism for the efficient functioning of marketing under different situational and market-led fluctuations under conditions of market volatility.

Paper type – theoretical.

Keywords: marketing support; marketing environment; enterprise management; market research; innovative marketing.

Reference to this paper should be made as follows:
Траекторія руху маркетингу – від традицій до інновацій

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Мета роботи – оголошити сучасні концепції маркетингу, визначити складники системи маркетингу підприємств і обґрунтувати основні поступи розвитку інноваційного маркетингу підприємств для підвищення конкурентоспроможності продукції.

Розглянуто і обґрунтовано сутність, обмеження дослідження/Перспективи дальніх досліджень. У дослідженні застосовано методи теоретичного узагальнення, аргументації та абстракції, аналітичний, монографічний, діалектичний.

Результати дослідження. Розкрито сутність і зміст поняття маркетингу. Обґрунтовано, що розвиток маркетингового забезпечення – це складний діалектичний процес взаємодії чинників зовнішнього середовища і цілеспрямованого впливу чинників, пов’язаних з використанням конкурентоспроможної продукції, що задовольняє певні ринкові потреби. Розглянуто і обґрунтовано сутність, завдання, основні інструменти та принципи маркетингового забезпечення. Зазначено, що розвиток маркетингового забезпечення – це складний діалектичний процес взаємодії чинників зовнішнього середовища і цілеспрямованого впливу чинників.

Практичне значення дослідження. Результати дослідження можна використовувати при розробці пропозицій щодо ефективного формування та використання маркетингу на підприємстві.

Оригіналість/Цінність/Наукова новизна дослідження. Здійснено класифікацію маркетингового забезпечення підприємств. Обґрунтовано основні принципи маркетингового забезпечення. Визначено сутність, завдання, інструменти і принципи маркетингового забезпечення. Зазначено, що розвиток маркетингового забезпечення – це складний діалектичний процес взаємодії чинників зовнішнього середовища і цілеспрямованого впливу чинників.

Обереження дослідження/Перспективи подальших досліджень. Розробити ефективний механізм раціонального функціонування маркетингу для різних ситуаційних та кон'юнктурних коливань у умовах волатильності ринку.

Тип статті – теоретична.

Ключові слова: маркетингове забезпечення; маркетингове середовище; управління підприємством; маркетингові дослідження; інноваційний маркетинг.

Траекторія движення маркетингу – от традицій до інновацій

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Цель работы – обзор современных концепций маркетинга, определение составляющих элементов системы маркетинга предприятий и обоснование основных поступов развития инновационного маркетинга предприятий для повышения конкурентоспособности продукции.

Дизайн/Метод/Подход исследования. В процессе исследования использованы методы теоретического обобщения, аргументации и абстракции, аналитический, монографический, дилектический.

Результаты исследования. Раскрыты сущность и содержание понятия маркетинга. Обосновано, что развитие маркетингового обеспечения - это сложный дилектический процесс взаимодействия факторов внешней среды и целинаправленного воздействия факторов, связанных с производством конкурентоспособной продукции, удовлетворяющей определенные рыночные потребности. Рассмотрены и обоснованы сущность, задачи, основные инструменты и принципы маркетингового обеспечения. Разработаны и научно обоснованы организационные составляющие инновационного маркетинга предприятий на основе обеспечения согласованного взаимодействия их инновационной и маркетинговой деятельности. Обоснована сущность, содержание и принципы термина "инновационный маркетинг".

Предложена классификация видов инновационного маркетинга в зависимости от их функциональной принадлежности.

Практическое значение исследования. Результаты исследования можно использовать при разработке предложений по эффективному формированию и использованию маркетинга.

Оригинальность/Ценность/Научная новизна исследования. Обоснованная классификация маркетингового обеспечения предприятий. Обоснованы основные принципы маркетингового обеспечения. Обоснованы методологические основы исследования маркетингового обеспечения предприятий. Обоснована сущность, содержание и структура инновационного маркетинга как важной и неотъемлемой компоненты ведения хозяйственной деятельности предприятий, которая предусматривает создание принципиально новой продукции (товара, технологии, услуги), выделены использование инновационного маркетинга для совершенствования бизнес-процессов на предприятии.

Ограничение исследования/Перспективы дальнейших исследований. Рассмотреть эффективный механизм рационального функционирования маркетинга для различных ситуационных и конъюнктурных колебаний в условиях волатильности рынка.

Тип статьи – теоретическая.

Ключевые слова: маркетинговое обеспечение; маркетинговая среда; управление предприятием; маркетинговые исследования; инновационный маркетинг.
Introduction

Understanding conditions for the globalization of Ukraine there is the need to improve the effectiveness of marketing management in the formation and development of competitive advantages in economic systems at different levels of the economy, to create a modern institutional framework to ensure favorable conditions for the improvement of competitiveness of domestic producers in the local and international markets. At present, development of the economy depends on the feasibility and creativity of the marketing system, which is an effective means to solve a task on the quality management and competitiveness of goods and services.

Marketing activity integrates the function of management decision-making and is the basis of core competence at an enterprise, involved in the design of its profitability. Therefore, the operational efficiency of any enterprise in a market depends on the effectiveness of marketing activity, which contributes to the creation of new possibilities for its further development. That leads to the realization of the important role of marketing activity in the creation of techniques and mechanisms to regulate production and business processes at an enterprise.

Thus, it is necessary that the market concept of an enterprise should be completely aligned with the marketing strategy of development, because marketing at an enterprise is closely interconnected with its entire production and business activities. It is the use of market research that would make it possible to obtain full information for the production of certain products at maximum efficiency for the enterprise; in other words, marketing is one of the three most important components in the activity of any enterprise, along with production and financial management.

Marketing is a business philosophy that forms through formal education and a direct reflection on the experience; it is implemented as a set of activities (marketing-mix), aimed at improving the interaction between a company (or other economic entity) and a market, as well as consumers; it consists of: research; analysis; development and implementation of programs to form an offer and promote goods and services to consumers. Modern marketing requires, in addition to creating a product with high consumer properties, proper pricing, organizing an effective system of distribution of the product, that an enterprise should communicate with its actual and potential customers and buyers, that is, promote the product in the market. The ultimate goal of marketing activities is to make profit and expand business operations.

P. Kotler and G. Armstrong interpret marketing as a kind of human activity, aimed at meeting the needs of specific customers and target markets through exchange, defining not only the attributes of marketing, but its objective as well – to satisfy target markets through exchange. That is, marketing is the management of profitable relationships with customers. A twofold objective of marketing is to attract new clients by promising to maintain a high value of the product or service and to attract more clients by meeting their needs (Kotler & Armstrong, 2012, p. 4–5).

At the same time, the authors outline specific steps in creating value for customers and building relationships with customers by using the model of a marketing process (Kotler & Armstrong, 2012, p. 28–29).

It is also important to take into consideration a possibility to use marketing as an element (a subsystem) in the functioning of an organization (a system). A variety of interaction and dependence of elements that define their existence, the place and role in the system, indicate the presence of a relationship between elements. In market research and assessment of consumers, the latter are increasingly referred to in theory as producers (Cova, Dulić, 2009). Some researchers emphasize that marketing currently faces a task to provide rational support to marketers in the form of necessary recommendations and procedures (Agić, Cnjarčević, Kurtović, & Cicić, 2016; Cortez, Johnston, 2018).

Depending on the goals and methodology used by scientists, it is advisable to highlight certain approaches. Thus, according to definition by Jean-Jacques Lambin: “Marketing is a social process, aimed to meet the needs and desires of people and organizations by providing a free competitive exchange of goods and services that are of value to the buyer (Lambin, 1995, p. 14).” J. Evans and D. Berman suggest that marketing in the classic sense is defined as a business activity that manages the promotion of goods and services from producer to consumer, or a social process through which the demand for goods and services is predicted, extended, and satisfied by their development, promotion, and sale (Evans & Berman, 2004, p. 16). The American Marketing Association defines marketing as an activity, a set of institutions and processes, aimed at creating, communicating, delivering, and exchanging offers, which have value for customers, partners, and society in general (The American Marketing Association). L. Balabanova notes that marketing is the concept of enterprise management, the sales of goods and services with a focus on consumer, based on a systematic approach, and it meets the needs of the market, accelerates turnover and profitability in production and trade (Balabanova, 2001, p. 31). A. Voichak argues that marketing is a complex-systems approach to solving the problems in the market, which covers the stages of movement of goods, starting from defining the needs and demand, organization of production, rendering various services related to sales, and ending by organizing the after-sales service (Voichak, 2001, p. 42). P. Dixon believes that connecting the manufacturer and consumer, helping them find each other, thereby making the work of the former truly demanded and efficient is the main objective of marketing activity. The importance of implementing a global marketing approach, not only at the level of a division or structural unit, but also at the level of the entire enterprise, by each employee, is highlighted by foreign researchers of marketing activity (Dikson, 2009, p. 24).

German marketer H. Schwalbe notes that it can be argued that marketing has always existed: it was simply not termed that way (Schwalbe, 1990).

In the opinion of some scientists, marketing is a special case of human activity, aimed to meet the economic needs of consumers, which enables the balance between the needs of buyers and resources of manufacturers. From the perspective of a firm, meeting consumers' needs is the result of the marketing strategy it had adopted (Enis, Koulis, & Mokry, 2004). E. Priporas, Ray, B. Quazi, 2017; Haberstroh, Orth, Cohen, Maria, Corbi: Bourdaine-Chameeva, Crouch, & De Marchi, 2018; Kasabov, 2015; Martin, Javagi, & Cavusgil, 2017; Zhao, & Priporas, 2017).

At the present stage, marketing is interpreted not only as a management function, but as the marketing management of product competitiveness under market conditions. An analysis of the economic literature that was conducted (Balabanova, 2001; Berman, 2016; Dikson, 2009; Frösén, & Tikkanen, 2016; Kleber, Florack, & Anja, 2016) has made it possible to select the marketing approach as one of the most dominant approaches to the assessment of an enterprise's competitiveness. Therefore, the task related to the management quality of marketing and product competitiveness is universal in character. The degree of success at solving it affects the socio-economic situation of a country and any consumer. Thus, O. Bolotna believes that modern methods to manage the competitiveness of an enterprise by using marketing tools make it possible to ensure the timeliness of management decision-making aimed at improving resistance against negative impacts, achieving the target market positions while minimizing the level of business risk (Bolotna, 2013, p. 334).

Therefore, a constantly changing environment in which an enterprise operates requires that special attention should be paid to the effectiveness of marketing activities. Marketing is necessary to solve the following tasks:

– to coordinate the processes to create an idea, concept, design of a new product, its pricing, distribution, and promotion on the market;
– to segment potential consumers (taking into consideration the needs, expectations, perception, motives) and to create target markets;
– to position the innovative product;
– to ensure the competitiveness of an innovative product and the enterprise itself in target markets;
– to enhance customers’ satisfaction and loyalty to an innovative product;
– to establish and maintain long-lasting and sustainable relationships with customers and other business partners (Neretina, 2009, p. 32–33).

An analysis of research results in the scientific sources has revealed the interpretation of general concepts of marketing, however, despite the importance of these studies, there remains a series of issues regarding the construction of a rational system of marketing at enterprises, the optimal structure of its constituent elements, which has necessitated our research.

**Problem statement**

The purpose of this paper is to review modern marketing concepts, to define constituent elements in the system of marketing at enterprises, and to substantiate basic postulates in the development of innovative marketing at enterprises in order to enhance competitiveness of products.

**Methods and Data**

The methods used in the study involved the theoretical and creative interpretation of the selected topic. The theoretical and methodological basis of this research is the provisions from economic theory, scientific papers by domestic and foreign researchers in the field of marketing. We have used the following research methods: monographic method – when studying the essence of marketing at an enterprise, a dialectical method of cognition – when studying the planning and justification of the concept of marketing; theoretical generalization and comparison – for the development of a conceptual apparatus and to examine marketing function; abstract-logical – to theoretically generalize the essence and methods in the mechanisms of marketing management. The information basis of this research includes monographic works and scientific publications in line with the chosen topic.

**Results and Discussion**

Marketing plays a certain role at every stage of the product life cycle, but the significance, volume, and the content of work at these stages are different. At the stage of product development, of importance is the coordinating role of marketing in forming an idea and a concept of product or service. In this case, important role belongs to the results of market research. Marketers must also participate in the development of an innovation strategy, product, and product range policy. The importance of marketing grows at the stage of project implementation when it is necessary to solve the tasks associated with the distribution and promotion of a product or service (Efrat, Gilboa & Yonatany, 2017).

Marketing concepts have their own evolution development, which can be divided into three main stages:

– the concept of classic marketing (1960–1980), which was formed based on production, commodity, and sale concepts; “4Ps”: marketing mix, the concept of marketing myopia, the theory of consumer behavior, the concept of positioning;
– the concept of socio-ethical marketing (emphatic marketing) (1980–1995): social-oriented marketing, strategic marketing, the concept of marketing wars, the concept of integrated logistics, mega-marketing, competitive marketing;
– the marketing concept of interaction (the concept of relationship marketing, global integrated communicative marketing (1995 to present): a model of marketing relationships; a customer-oriented service approach, the theory of trust and affection) (Balabanitis, 2012, p. 10; Tankov, 2012, p. 182).

A modern marketing concept includes three main tasks, studying and development of which underlie a successful sale of the product:

– focusing on the consumer (his needs, requests, tastes);
– approach to marketing at the company-wide level, whose success depends on all functional units and requires their structural and organizational cooperation;
– focus on profits as the ultimate result of the entire production-economic activity that defines the specific selling technique (Broekhuizen, Bukker, & Postma, 2018; Kleber, Florack & Anja, 2016).

Y. Vdovenko argues that the comprehensive study of the consumer is important, but insufficient, factor for success, because other subjects of direct impact act in the market, in particular competitors, which might possess advantages in competition and be able to more adequately respond to different situations. Even though marketing primarily focuses on consumers, to elucidate who they are and what precisely they require from a product or service, work related to studying competitors is no less important because they define the criteria that need to be outperformed to achieve long term success. Thus, in the framework of an integrated market research, there is a need to analyze competitors in order to determine spheres of influence in the market and to weaken competition (based on the knowledge of needs and, at the same time, about actions of competitors, it becomes possible to find a niche in the market) (Vdovenko, 2011, p. 119–120).

In other words, marketing approach is implemented by studying the interests and needs of consumers and other counterparts of an enterprise, development of strategic plans, based on them, and their further execution. Formation of the competitive strategies for managing competitive advantages is based on the application of basic principles of marketing, aimed at development of the market, design of a new product, extending the existing market, finding new segments, diversifying the types of activities. Consequently, the quality of marketing management, as well as competitiveness of products, is the concentrated expression of the totality of possibilities for an enterprise.

The main marketing tools that underlie the development of a marketing mix are (Škrynkovskyi, & Protisíuk, 2013, p. 22):

– product (development of appropriate measures concerning the strengthening and improvement of the quality and competitive properties of goods);
– price (determining and setting such a price for products that would fully cover the cost of their production and provide enterprise with a profit);
– place (creating the appropriate channels to sell products in order to bring it to the end user);
– promotion (forming an appropriate system of communications and sales promotion).

The main characteristics of classic marketing are: need; desire; demand; product or service (object of exchange); the process of interaction and the emergence of a relationship that involves the stages of exchange and concluding an agreement; meeting the need by buying and using a good or consuming a service.

Thus, success of an enterprise in the market today depends on making the rational marketing decisions and their further effectiveness. All this is achieved owing to the marketing support.

Marketing support enables the optimization of channels “producer—market—consumer” and manages the flow of goods, services, and technologies. That is why a necessary condition for the effective activity of enterprises is to use marketing support. Development of marketing function is a sophisticated dialectical process of interaction between factors in the external environment and the targeted influence of drivers associated with the production of...
competitive products that satisfy specific market needs. The concept of "marketing support" is used quite often and in different interpretations (for example, "marketing potential"), as well as an additional linguistic tool that specifies the semantic understanding of a phenomenon, ignoring the analogy with other areas of knowledge; they systematically use the term "support" as a conceptual apparatus, which is distinguished by its structural and systemic character ("legal support", "pension provision", "methodological support").

Therefore, in the theory and practice of marketing the term "marketing support" is used by specialists in various contexts when describing marketing activities, but, nevertheless, it can hardly be argued that it possesses a specific, coherent meaning and is unambiguously perceived, as is the case for such long-established concepts as, for example, "a complex of marketing", "the process of marketing", "a marketing system", "a market research", etc. (Tutarenko, & Budrin, 2012, p. 210).

Marketing support implies the organization of a creative process that takes into consideration a series of external and internal factors:
1) main directions in the development of marketing support in the market;
2) trends and the state of development of market relations among the subjects of economic activity;
3) the level of relations between legal entities.

Marketing support is a set of methods, techniques, tools, which are used to address tasks related to maximum satisfaction of consumers and maximization of profits from the sales of products (work, services) (Pyşcêpa, & Ohorodnyk, 2017). Therefore, marketing support is the set of all kinds of resources (both material and intangible) that comprehensively provides support for the adequacy of the system and the process of marketing. The system of marketing support is necessary for normal (high-quality and uninterrupted) functioning of the process of development and decision making in the network of relations between business entities involved in the process of exchange of values (goods and services) based on commercial or non-profit principles. A marketing support system implies a series of subsystems, the main among which being the subsystems of informational, organizational, legal, economic, technical, social support, as well as security. Therefore, marketing support as a system makes it possible to define the role and essence of the category of marketing, intended to neutralize the factors of risk and threats to the implementation of the vision (strategy), to determine the essence and structure. A system of marketing support as the subsystem of socially significant exchange relationships (with respect to that marketing is interdisciplinary in character) is formed taking into consideration the functional development and is the functional subsystem of management.

Marketing support evolves in the process of overcoming contradictions between the external conditions and the internal capabilities of an enterprise. Provided that marketing support enables the adequate estimation of actual market environment and is based on its scientific analysis, while not ignoring the peculiarities in an enterprise development related to the production of competitive products, it can effectively influence the process of need formation. The process of marketing support evolves through a combination of interrelations, interdependencies between the objective and subjective, the market-led and internal.

The main objectives of marketing support are:
- to train, aimed at the possibility to apply marketing tools when undertaking a market research;
- to design, based on knowledge and market practices, the principles and programs of marketing activities;
- to constructively implement the philosophy and marketing toolset in the economic relations;
- to support and advance innovative activities.

The methodological principles for investigating marketing support at enterprises are as follows:
- a view of the marketing support as the basis of management hierarchy;
- consolidation of actions of all functional divisions at an enterprise around its key interests;
- applying all the constituent elements of the marketing mix in combination;
- taking into consideration special features in the production of innovative products at enterprises;
- informational support as a key component of marketing support;
- innovation and creativity in the process of marketing support;
- consideration of current concept of the socio-ethical marketing as a means to achieve a balance between the main objectives of marketing – an enterprise profit, customer requests, and interests of society.

The basic principles of marketing support are the following:
1. The principle of benefit, that is decreasing the uncertainty related to the application of marketing means.
2. Principle of alterativeness. One needs to consider several alternative variants to apply marketing means thereby selecting the most optimal one for a particular situation.
3. The principle of operativeness, which implies the adjustment of a procedure to use marketing means with the aim of considering the terms for fulfilling mutually beneficial contractual relationships.
4. The principle of clarity and substantiation. This requires that the scheme for applying the tools of marketing should be clear to participants in the relationship, and all of its component parts should have economic and commercial justification.

The process of formation of marketing technologies implies a choice of specific marketing techniques that make it possible to fulfill the set tasks; studying conditions and limitations in the use of specific technologies; the evaluation of capacities to implement specific technologies; adapting technologies to the needs and capabilities of an enterprise (Shymko, 2014, p. 97).

Considering the tasks that should be solved by marketing function at enterprises, it is expedient to form the following units in a marketing department:
1. Department (manager) of market research.
2. Department (manager) to handle a product range. It is known that the market success for enterprises engaged in the light industry largely depends on the way they treat the modification and extension of their own product range.
3. Department (manager) responsible for the distribution that directly interacts with end-users or intermediaries and can prove very helpful in the establishment of feedback.
4. Department (manager) of advertising, PR, and sales promotion.
5. Department (manager) responsible for pricing.
6. Department (manager) responsible for post-sale service (probably, a PR specialist or a conflict-manager).

Marketing activities as the most important function in the field of entrepreneurship should provide sustainable, competitive position of the subject of marketing system in the market of goods and services taking into consideration the state of the internal and external environment. In this case, marketing activity implies active market research and the development of a program of marketing activities that are used to improve the performance of a firm and the efficiency of meeting the needs of the end user or a client.

Special features in the marketing approach to the assessment of competitiveness of an enterprise, outlined by J.-J. Lambin, are the capability to meet the needs of consumers better than competitors do (Lambin, 2008, p. 66). Common is the approach to competitiveness as a set of consumer properties of the product to its value. In this case, it is assumed that low competitiveness leads to lower prices for goods and, on the contrary, enhanced competitiveness predetermines an increase in price. In this case, competitiveness is identified with the quality of products, although as only one of the factors of competitiveness.
Today, it is necessary to rely on new conceptual approaches based on the marketing management of competitiveness of an enterprise product. The greatest recognition among products designed to meet a public need is obtained by the one that meets it better compared with the goods-competitors. That distinguishes it from the total commodity mass, ensures success in the competition, in other words, it makes it possible to argue that the product is competitive.

In this case, it is necessary to strive for a shift from marketing management as one of the focal subsystems in the micro-economic system to the marketing management that provides integration, interaction, and continuous process of recreating sustainable competitive advantages.

The marketing approach to managing the business competitiveness of a legal entity makes it possible to accomplish a series of key objectives:

– to prevent the expenditure of all types of resources related to production and introduction of non-competitive goods to the market;
– to ensure that the current and strategic objectives of an enterprise are aligned with the potential opportunities in the market;
– to find the possibilities and resources to form a sustainable long-term competitive position.

The marketing approach aimed at solving these tasks implies the orientation of a management subsystem toward:

– improving the quality of the object to the needs of the consumer;
– saving consumer’s resources by improved quality;
– saving the resources in production, selling, exploiting the effect of scale, scientific and technical progress;
– by implementing a quality management system.

Therefore, a key issue for marketing-led management of competitiveness of an enterprise's product is the target orientation and comprehensiveness, the integration of all functional subsystems into a coherent system, functioning in the interests of the entire enterprise, which ensures a unified process of reproducing sustainable competitive advantages. Consideration of competitiveness as an object of the marketing-led management significantly changes goals in economic systems. In this case, the main objectives of marketing-led management of an enterprise are: to achieve high competitiveness of products, the creation and formation of sustainable competitive advantages over competitors. The concept of marketing-led management of enterprise competitiveness must consider not only the identified factors of competition and a limited range of needs by customers, suppliers, competitors, manufacturers of products substitutes.

Y. Vdovenko proposes studying competitors in the following sequence:

– to detect and categorize competitors, to build a data bank on competitors;
– to analyze performance indicators of competitors;
– to identify strengths and weaknesses of competitors’ activity (Vdovenko, 2011, p. 120).

From a systems position, the process of managing the competitiveness of an enterprise should be considered as a set of interrelated actions, the aim of which is to ensure its stable market position. Criteria for achieving an objective in specific cases, depending on the initial position and established strategic goals, may include: an increase in sales volume, territorial growth of the market, increasing the profitability of sales, increase in profits, as well as other market, economic, or financial indicators for an enterprise operation. The elements of this set (a system to manage competitiveness) include almost all structural subdivisions of the enterprise, among whose production functions one must specially select those whose implementation directly defines the market position of an enterprise. Such a choice forms the organizational structure of the system, that is a system of relationships among structural units of the enterprise with regard to cooperation when managing competitiveness. When determining the functional composition of the system that manages the enterprise's competitiveness, one must consider the fact that it should represent all the functions of management.

Thus, a marketing approach to managing the competitiveness of an enterprise makes it possible to prioritize the factors, methods, guidelines, and other tools in their entirety, in order to establish the rational ratio and improve the substantiation of resource allocation.

The evolution of marketing makes it possible to argue that it is a process of its consistent introduction to various spheres of economic activity. This process manifests itself in the formation, extension, deepening of the marketing function, in general patterns, trends, and specific features of its development. Current challenges necessitate the revision of concepts, theories, approaches, and enable the detection and utilization of the newest marketing opportunities.

Marketing support depends in the innovation policy chosen by an enterprise. It implies continuous introduction of innovations to products with a fairly modest market success. Work with such goods is based on the established production technology and knowledge about the requirements and requests of consumers. An enterprise thus successfully exploits its main capabilities. Such new (and, in fact, improved) products do not significantly alter the market and the enterprise, but, in combination, ensure a stable, profitable enough activity of the enterprise. At present, most Ukrainian enterprises implement such an innovative policy (Kuznets’ova, Yu. A. (2012, p. 373).

The classic definition of innovative marketing is considered to be the innovative marketing based on knowledgeable marketing, according to which an enterprise should constantly introduce real improvements to its products and marketing function (Kotler, 2006). The modern idea of innovative marketing is considered within the concept of innovation management. Ogoleva believes that the term “innovative marketing” is broader than the concept of “marketing of innovations”. Innovative marketing includes a mission of the organization, the philosophy of thinking, a field of scientific research, management and behavioral style (Ogoleva, 2001). Innovative marketing is the area of activity of an enterprise directed towards forming new markets and other needs by potential and actual users (needs that are based on the development and creation of innovative potential).

Some authors understand innovative marketing as a concept of doing business, which implies the creation of the improved or fundamentally new products (technology, service) – an innovation and the application, in the process of its creation and dissemination, of the improved or fundamentally new – innovative tools, marketing forms and methods, in order to more effectively meet the needs of both consumers and producers (Agić, Cinjarević, Kurtović, & Ćičić, 2016; Božhikova, & Ilyashenko, 2009, p. 35).

Innovative marketing is understood by N. Ilyashenko as the concept of doing business, which implies the creation of the improved or fundamentally new products (goods, technology, service, a management decision) – an innovation and the application, in the process of its creation and dissemination, of the improved or fundamentally new – innovative tools, marketing forms and methods, in order to more effectively meet the needs of both consumers and producers. In other words, an enterprise produces innovations, above all those that satisfy both the needs of consumers and its own needs, and applies innovative approaches for the implementation of the principles of marketing (Iliashenko, 2011, p. 35).

Innovative marketing is a systematic approach of producers to managing the production of innovations, as well as intermediaries (sellers) to managing the implementation of innovations, as well as buyers to managing the acquired innovations. This is a process, which includes planning of innovation production, market research, establishing communications, setting prices, promotion of innovations and the
deployment of service departments (Nianko, 2014, p. 229). In the opinion of some authors, innovative marketing is, on the one hand, a large proportion of risk, but on the other hand, it is a higher return provided the course is properly selected. Marketing function always incurs expenses from the budget of a company, so while allocating them it one must calculate possible risks. Innovative marketing can bring the company to a new level of development, help conquer a new niche, then the cost will pay off. However, if all the allocated funds are invested in innovative ideas that do not work, the company runs the risk of losing a certain share of its clients (Starytska, & Starytskyi, 2014, p. 245).

The major goal of marketing in the market of innovations can be stated as determining the magnitude of demand for a new product, expressed in terms of volume of sales and its share of the market, which contributes to its achievement. The marketing function is to examine and form reproduction processes, ensuring their continuity, cost reduction and efficiency level, sufficient for the development of an enterprise. Thus, it becomes particularly important to study and apply the strategy for development of enterprises employing the concept of marketing as the innovative approach in this area. An important part of the overall strategy of an enterprise is its innovative strategy, which determines the focus and essence of innovations that are adequate to the needs and changes in the external environment, and, ultimately, to the interests of the consumer (Gugelev, 2008, p. 165).

The main characteristics that could distinguish innovative marketing from the classic one are:

- marketing activities aimed at the creation, accumulation, dissemination and effective application of knowledge in all forms of its manifestation;
- the specificity of the product, whose consumer value is determined not only by supply and demand, but also by a set of marketing efforts to promote it in the market;
- marketing of new information technologies at businesses, government and municipal structures.

Thus, at the current stage of modern historical development, we highlight the following distinctive features of innovative marketing:

1) strategic focus on searching for and meeting the new needs suggests that innovative marketing should be used not only at the "output", but at the "input" of management of innovative activity;
2) organization and management of innovative activity of an enterprise is carried out through the prism of interaction with the market, which assumes the use of a network theory and studying modern forms of relations at the innovative market;
3) the subject of the study and the product in a market are not the finished product, but rather an idea that predetermines the application of methods for using and assessing intellectual property.

Innovative marketing is the marketing that is associated with the promotion of innovations to market. The innovative potential of an enterprise is the capability to perform the tasks that ensure the achievement of the set innovative target, that is a measure of preparedness for the implementation of a project or program of innovative changes. The innovative goal, towards which management of changes is oriented, acts as a global strategy for the organization, as a means of achieving its higher goals, as well as a means to implement the mission of an organization. Thus, for example, most of the products in the stores are in excess. The reason for this is that the largest part of them is made without regard to the innovative resource; even when something is modernized, it mostly refers to partial improvement of a product. It is in this direction that marketing activity is executed; even when an innovative constituent is observed, it is difficult to detect it among a huge mass of products offered in the market. The innovative component of marketing activities is not yet present well enough in the market. Therefore, a change management as a means of achieving an innovative goal at enterprises is part of the marketing function, thereby implying the implementation of a series of activities (Table 1).

<table>
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<tr>
<th>Stage title</th>
<th>Stage characteristic</th>
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<tbody>
<tr>
<td>1. Initial awareness</td>
<td>Consumer learns about a new proposal in the market of goods or services (an innovation) but does not have enough information to assess possible benefits</td>
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<tr>
<td>2. Knowledge about a product or service</td>
<td>Consumer expresses interest in the new thing, can search for more information about innovations (advertising, booklets, references)</td>
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<tr>
<td>3. Brand promotion</td>
<td>Connection between the brand and the consumer is carried out by different means; by phone, by mail, over the Internet, via a personal contact. Communication channels should be open to the buyer so that he could easily communicate with the brand.</td>
</tr>
<tr>
<td>4. Identification of the new product or service</td>
<td>Consumer starts comparing a novelty with personal needs and needs</td>
</tr>
<tr>
<td>5. Assessing the possibilities to use the novelty</td>
<td>Consumer decides on testing a new thing (product or service) in a daily practice</td>
</tr>
<tr>
<td>6. Novelty approbation</td>
<td>Consumer tests a novelty in the field of application of goods or services</td>
</tr>
<tr>
<td>7. Making a decision</td>
<td>Based on the results of tests, consumer makes a decision about buying an innovation in the form of a product or service; there may be a decision about investing in the creation of a novelty</td>
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At present, winning and retaining a consumer is challenging. Thus, marketing support for the implementation of designed innovations is one of the priority areas in the activity of innovative enterprises. Given the uniqueness of an innovative product and the uncertainty of demand for it in the innovative market, the proposal has to play an important preemptive role. Research into what is needed in the market, identification of its capacity and the real solvency when competition in markets gets tougher must become an integral part of the processes for development and introduction of innovative products at enterprises.

This is exactly the reason why innovative marketing is characteristic of enterprises that build their activities on the principles of business and innovation competition, introducing products to the market with fundamentally new consumer properties. Within the innovative marketing, behavior of a buyer is dramatically transformed, it becomes more active, the buyer directly takes part in forming not only the demand and the idea on buying, but he is also involved in product creation, in the improvement of its production, as well as in selling it. Capabilities of marketing function as an institutional sphere of legal entities in innovative development can be more productive at large enterprises, because they possess significant material and financial resources that enable them to organize wide-range comprehensive marketing activities.

Today, the market of household and industrial products, similar to any other market, specifically services, seeks to maximize...
consumer loyalty, because commitment by a consumer provides additional possibilities for an enterprise to maintain and increase its market share. That leads to an increase in the enterprise’s competitiveness and creates conditions for its future development. This can be achieved through a variety of innovative tools, in particular the creation and support of a sustainable marketing system in the structure of an enterprise, using its resources to model a system of marketing business processes in the market. The effectiveness of marketing function within the structure of an enterprise should be interpreted as a degree of market power, a level of capabilities to ensure the implementation of the chosen marketing strategy, which are predetermined by marketing resources at the disposal of the enterprise and by the ability of the enterprise to move forward, which is predetermined by its following features: quality, that is the level of mobilization of the marketing potential, external and internal quality of enterprise’s marketing strategy, methods, and culture in the application of the totality of factors that provide for the marketing function at the enterprise, as well as time – a match between the reaction of marketing activities and the character of competitive situation, the rate of marketing changes.

Marketing function should be guided by the principle that satisfaction and keeping a consumer are the key success factors for entrepreneurs while consumer satisfaction is the basis of customer loyalty. P. Kotler defines two ways to keep customers: creating conditions that inhibit contacting other sellers, and complete satisfaction of the consumer who would not be tempted by lower price or other incentives proposed by competitors (Kotler, 2006). Another way to obtain a consumer loyalty is his involvement in the process of creating a new product at all stages of design, that is the search for ideas for new products, their selection and diagnosing, as well as the development of the concept of a product, the design of the product and a modern brand, assessment of product quality, its competitiveness, and development of selling techniques. Thus, the consumer perceives that he creates what he would use. There are several types of commitment to a given product:

– for self-assertion, a consumer achieves it by influencing the life of a given product, thereby enhancing his self-esteem;
– differentiated, based on the consumer’s awareness of the benefits of a product; – as a result of awareness, which is the result of consumer knowledge about the product.

The main systemic principles underlying innovative marketing in the commercialization of processes to create and development new equipment are:

– compliance with acting laws regarding innovative processes;
– high culture of service to consumers of highly technological goods;
– optimality of commercial decisions when entering the market of high technologies;
– profitability and ROI of innovative products;
– the competitiveness of goods and services produced in compliance with scientific advances and achievements.

in science-intensive industries;
– high-quality and timely implementation of contractual obligations of contractors in the market of highly technological industries.

Given the necessity for further innovative development, there are requirements to new approaches, techniques and methods that would make it possible to ensure the appropriate development of innovative marketing. An effective method of innovative marketing under conditions of competition is to create small innovative firms within companies, the base of which is the development of a risky science-intensive project, which implies the need for a systematic update of the nomenclature of products that are made under tougher competition from other firms. Additionally, an important role in sales channels belongs to factors of the non-competitive market (quality, reliability), while the implementation of innovations is achieved at the expense of rapid replacement of products that are made, which predetermines the application of innovative marketing over a transition period. Thus, the system of innovative marketing is aimed at ensuring the acquisition of information about current demand in the market, the development of a strategy for determining the expected demand for innovations in the future.

Selecting the innovative approach to solving the task on improving the efficiency of functioning of a marketing system within the structure of an enterprise makes it possible to draw a conclusion about its leading role in the implementation of strategic marketing management of the enterprise. The degree of use of the innovative approach in the system of marketing management characterizes the competitive status of an enterprise, its competitive power, as well as the degree of application of innovative marketing toolset in the implementation of the chosen strategy. For example, employing innovative approaches to the promotion of products in the market of consumer and industrial products, for instance, the establishment of customer clubs, gives certain warranties in the short term, while the use of innovative component in the creation of a brand platform guarantee its further successful re-positioning to other market segments. One can use this type of a system as the fundamentally new marketing approach to create and sell innovative goods or services.

Therefore, innovative marketing prepares introduction to the market of an innovative product, service, or technology. It also exploits a range of tools and methods that enable an enterprise, in a timely and proper manner, to assess its existing chances in the market and to implement an innovative product at maximal efficiency.

All this leads to the emergence of the concept "a set of systemic innovations in marketing". A set of systemic innovations in marketing implies improving the quality of meeting the needs of buyers by treating them in a friendly manner by providing them with a system of values, based on the primary basic communications, selecting and adjusting them based on the wishes of clients, creating new values and obtaining the effect of multiplication. In this case, this a system of creation and maintaining a customer base that satisfies the needs of customers in line with the principle "give the people what they want in a new and unexpected form. In this case, such an innovative marketing system at the input will possess a customer base, and at the output it successfully achieves the target – making a profit.

The task of marketing is to influence production, enhancing the management in a charge of making a product. In this case, the solution to this task should be based on the joint efforts of marketing and management functions, in this case, the marketing function, based on the undertaken market research, defines the main directions for innovative development in the production of appropriate goods while the goal of management function is to employ the organizational-engineering solutions for the implementation of appropriate innovative developments into an actual practical result. In this case, innovative products are characterized by the following features:

2. Creative approach to the application of new technologies, that is, a technology creates a new market.
3. Volatile competitive environment. The result of constant dynamic phenomena by competitors is the high technological uncertainty.
4. Innovations are based on the long-term target and strategic planning;
5. The size, structure, and financial resources of an enterprise promote the diffusion of innovation;
6. An enterprise must have sufficient competitiveness in the field of the applied technologies and products in the market;
7. The permanency of relationship with consumers and experts for the timely consideration of change in needs;
8. A distinction between a "product" of innovation and that by competitors (Table 2).
Thus, at all stages of marketing management, one of the main factors is an innovative component. This means that an innovative approach to the management of a marketing system at enterprise becomes a leading element of strategic management. Therefore, any implementation of a strategic decision is innovative in character. However, in practice, most enterprises employ only a small part of modern marketing tools, which can be explained by that individual tools are not used under current conditions, and by low qualified marketing managers at an enterprise. Therefore, the need for innovative renewal of the marketing component is predetermined by the urgent need of the market, as well as certain enterprises. That would facilitate the selection of functional areas within a marketing complex in a single target market, which will make it possible to reveal hidden reserves in the activity of every enterprise in the market with the aim to improve the efficiency of its activity, and, therefore, increase the return from the better substantiated application of modern marketing toolset.

We propose the following basic approaches and principles of positioning in the framework of promotion of innovative products in the domestic and international markets:

- accent on positioning the innovative products based on quality and functional benefit for consumers and producers;
- differentiation of positioning the innovative products for price at each of the market segments;
- the use of positioning of innovative products in the point of sale;
- differentiation of positioning the innovative products for various trade channels.

The base of a program for the promotion of innovative products in markets must be a diversified platform of marketing communications, adequate to the intersectoral character of innovative products. At the same time, all its components have to be integrated into a coherent whole.

The concept of innovative marketing of interaction is based on the principles of deep market research and an active search for new strategies in order to diffuse innovations within new market segments, which will make it possible to flexibly analyze market conditions and to select the desired niche in the market and to model demand, taking into consideration the behavior and wishes of a particular client. A key factor in the innovative strategy is to predict the demand for a new type of product and its positioning in the market, which would predetermine, when implementing an innovative project, the product, the quality, and the type of a client that should be proposed, considering meeting his future wishes.

According to R. Koch, the process of forming the concept of innovative marketing of interaction is predetermined by the following shifts in the global economy (Koch, 2000):

- the importance of international business networks;
- the establishment of the privileged positions of developed economies;
- the development of the Internet;
- a change in the structure of global economy and value chains.

Therefore, the development of innovative marketing now is a leading concept, which will help enterprises achieve a rational breakthrough in their activities and move to a qualitatively new level of development. That will make it possible for domestic enterprises to get out of the crisis that they face now, and catch up with the size of turnover and profits of foreign enterprises, which operate in a similar field, and, after a certain time, to win leading positions in the market or new niches in the market (Bozhkova, Illyashenko, 2009, p. 35).

Thus, in order not to lose innovative opportunities, managers must permanently seek out innovative approaches. In modern society, which is dependent on the resources and production factors, it is impossible to create an innovative product that would consist only of a scientific-technical achievement. Innovative marketing is essential as a factor that accompanies its development. The processes of adaptation of products to their commercial use require innovative marketing solutions and adjustment of existing marketing concepts.

Conclusions

An analysis of works by foreign and domestic researchers allows us to select key management concepts that can be accepted in the activity of enterprises: the concept of improving production; the concept of improving products; the concept of integrated marketing; the concept of knowledge marketing; the concept of marketing management; the concept of strategic marketing; the concept of marketing agreements; the concept of marketing relations; the concept of competitive rationality; the concept of mega-marketing.

In this case, marketing control over the competitiveness of products by an enterprise is aimed at ensuring the coordination of interests and goals of economic systems of at least three different levels:

- the interests of individual enterprises and firms (microeconomic systems) and regional interests (meso-economic systems of territorial level and corporate associations of micro-economic systems);
- the interests of meso-economic and macro-economic systems;

<table>
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<tr>
<th>Basic concepts</th>
<th>Form of their implementation and results</th>
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<tr>
<td>Focus of innovation organization on marketing strategy. Development of specific strategies for innovative marketing; strategy of competitive advantage, import substitution, leadership in costs, expansion to new markets. Development of a strategy for introducing an innovation to the market. Operational, tactical, and innovative marketing. The choice of the type of marketing, Forecasting and planning the costs and revenues if marketing.</td>
<td>Focus of enterprise's activity, its subsystems, structures and personnel, on the commercialization of innovations with regard to the requests by customers. Comprehensive market research. Analysis and forecast of market conditions. Research into capacity, structure, market segmentation. Research and forecast of demand, behavior of competitors, types and forms of competition. Goal setting, selecting a variant and time to introduce innovation to the market. Design of activities and stages to position an innovation. Design of concrete measures to introduce an innovation to the market. Activities related to conversion, creative, stimulating, and other types of marketing. Formation of sales channels. Organization of advertising campaign, exhibitions, presentations, trial direct sales, warranty service. Analysis and forecast of sales of innovation, assessment of marketing revenues. Defining price elasticity of profit. Studying the pricing policy of competitors. Setting a pricing policy for innovations. Analysis of marketing costs. Determining the expenses to promote innovation in the market.</td>
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*Source: adapted by Author based on (Kotler, 2006; Illyashenko, 2011; Ogoleva, 2001).
– the interests of macro-economic systems and the interests of individual enterprises, which are the representatives of micro-economic systems.

The basis of all marketing services, the starting position for market research and for selecting a competitive strategy of an enterprise, is the concept of innovative marketing. That relates to that one of the main conditions for the introduction of product innovations today is the existence of an effective sales and marketing system, which connects the enterprise and end-users aimed to constantly identify new requirements by buyers to the quality of manufactured goods. Development and implementation of a marketing mix for new products makes it possible to introduce innovative products to markets, ensuring their appeal to the target audience and profitability for the manufacturer, which makes this area of marketing activities by an enterprise one of the most relevant ones.

Innovative marketing is the area of activity of an enterprise directed towards the formation of new markets and other needs by potential and actual customers. The rational application of technologies associated with innovative marketing reduces the risks related to the development of an innovation, because they make it possible to estimate the potential demand, define the target market segment, and provide an answer to the question on continuation of the product or its termination. Experience confirms that most enterprises that gain success in their markets attribute this success to innovations.

Thus, an innovative approach to current marketing studies implies the selection of a new subject of research – the values and value preferences of consumers. The innovation should be understood as a purposeful change, which introduces into the implementation environment new stable elements (innovations), causing the transition of a system from one state to another.

Innovative marketing has been used previously as a term to describe the process of market-led research and development. Now, the concept of innovative marketing is applied much more widely: as the principles underlying the introduction of new products to the market in general. The innovative marketing refers to the marketing concept, under which an enterprise must

Among the factors that hinder the development of innovative marketing, it is advisable to highlight the following:

– the lack of professionally trained personnel that could apply innovative marketing;
– the undeveloped market of innovations;
– the lack of competition and competitive advantages of enterprises as a result of innovation;
– the shortage of funds to finance innovations;
– poor information support to marketing system;
– psychological unpreparedness of personnel to implement the marketing of innovations;
– inadequate funding of market research at the entire stage of the life cycle of innovations.

Resolving the above-mentioned problematic issues would make it possible in the future to move the innovative marketing to the higher and more qualitative level.

References


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