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Vivchar, O. & Ziailyk, M. (2021) Dynamics of innovative marketing components. *Sotsialno-ekonomichni problemy i derzhava* [Socio-Economic Problems and the State] (electronic journal), Vol. 25, no. 2, pp. 281-286. Available at:

http://sepd.tntu.edu.ua/images/stories/pdf/2021/21voiimc.pdf



# DYNAMICS OF INNOVATIVE MARKETING COMPONENTS

### Oksana VIVCHAR

Western Ukrainian National University 11 Lvivska Str., Ternopil, 46009, Ukraine

e-mail: o.vivchar84@gmail.com

ORCID ID: http://orcid.org/0000-0001-9246-2226

### Mariia ZIAILYK

Ternopil Ivan Puluj National Technical University 56 Ruska Str., Ternopil, 46001, Ukraine

e-mail: zyachamf@gmail.com

ORCID ID: http://orcid.org/0000-0002-8435-8565







Received: October, 2021 1st Revision: November, 2021 Accepted: November, 2021

#### **JEL classification:**

M31 L29

UDC:

658.8

#### DOI:

https://doi.org/10.33108/sepd 2022.02.281 **Abstract.** The current state of Ukraine's economy is characterized by increased competition and the growing influence of marketing innovation on economic growth. The impact of the innovative marketing components on increasing the competitiveness of the enterprise is considered in the article, also the essence of marketing in innovation management is revealed.

Such economic categories as "innovation", "innovation policy", "innovation marketing" are analyzed in the article, their role and importance in the economic activity of enterprises are identified. The influence of the components of innovative marketing on the efficiency of the general activity of the enterprise, optimization of its production process and increase of the profitability of the enterprise are also determined.

At present, enterprises are facing the need to update the technological base of production, improve the quality of products produced in order to expand markets. This can be achieved through an active innovation policy and through the use of elements of innovative marketing at the enterprise.

Research of the market of new production is necessary for revealing the consumers' needs on the basis of which the new image of a product can be created. It is for these purposes that it is necessary to use the components of innovative marketing, which is a special kind of purposeful creative activity for the continuous implementation of quality improvement of marketing products and tools.

When developing a market strategy in domestic practice usually two types of marketing are used: product, focused on a particular product or service; consumer, focused on a group of consumers and integrated marketing, focused on both product and consumer. Each of these types of marketing is aimed at one of the two components of the sales process: the product or its buyer. In both cases, the manufacturer is at risk. Producer can make a product that it is unknown who will buy, or find a consumer, but will not be able to meet his/her requests and sell the product.

Due to the active innovation policy and the use of elements of innovative marketing, enterprises can achieve renewal of the technological base of production, improve the quality of products produced in order to expand markets.

**Key words:** marketing, innovation policy, innovation marketing, marketing tools, competitiveness, innovation, market strategy.



Вівчар О. Dynamics of innovative marketing components [Електронний ресурс] / Оксана Вівчар, Марія Зяйлик // Соціально-економічні проблеми і держава. — 2021. — Вип. 2 (25). — С. 281-286. — Режим доступу:

http://sepd.tntu.edu.ua/images/stories/pdf/2021/21voiimc.pdf



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#### 1. Statement of the Problem.

At present, companies are facing the problem of the production technological base renewal, the improvement of manufactured products quality in order to expand the markets. This can be achieved due to active innovation policy and application of innovative marketing elements within the company.

# 2. Analysis of Recent Research and Publications.

Marketing – is the activity of market research, management and regulation of production and sales of goods and services based on information about market conjuncture. The concept of innovative marketing also involves gaining new customers, optimal use of company competitive advantages, increasing the spheres of influence by diversifying and expanding the scope of company activities and expansion into new industries and new markets [2]. Scientists Antoniuk L. L., Illiashenko S. M., Hradov A. P., Zavlina P. N., Mobli L., Kotler F., Triaz de Bez F., Tielietov O. S. and others made a significant contribution to the investigation of this problem.

## 3. Task Formulation.

The objective of the paper is to apply the components of innovative marketing in order to ensure the unity and harmony of manufacturers and consumers interests.

## 4. Main Research Results.

Market research of new products is required in order to identify the consumer's needs, on the basis of which a new product image can be created. It is for these purposes that it is necessary to use innovative marketing components, which is a special kind of purposeful creative activity for the continuous implementation of marketing products and tools quality improvement.

While developing the market strategy in national practice usually two types of marketing are used:

- product, focused on a particular product or service;
- consumer, focused on a certain group of consumers.

Each of these marketing types is aimed at one of two sales process components: the product or its buyer. In both cases, the manufacturer is at risk. Producer can make a product and he does not know who will buy it, or he can find a consumer, but will not be able to meet the consumer's demands and sell the product [4].

There is a third type: integrated marketing, focused on both product and consumer. Integrated marketing involves coordination and mutual compliance of the product with consumer needs, at the same time harmonizing the economic interests of economic entities with the company industrial and commercial policy. The consumer should receive the products in order to meet those needs that he/she has not become acutely aware of.

All three types of marketing are successfully used by Western companies in innovative management. If necessary, they change the direction of their activities, in each particular situation trying to get maximum from production and sales. The majority of large corporations follow the product-oriented concept, relying on their dominant role in the market and strong trade network. However, they actively study the consumers opinion and demands, even when they are absolutely confident in their reputation in the market and new product advantages. Medium and small-sized companies focus mainly on consumer, paying much attention to the positions of consumer marketing.

In any case, the strategy of marketing activities in the creation and development of new

technology in market economy is determined by the ideas of integrated marketing and is based on the innovation management regulations.

American researcher L. Mobley gives an example of "DuPont" Corporation marketing activities in the creation and implementation of fundamentally new material "Kevlar", which in many respects is superior to steel. During its development, large investments were made, the latest technologies for ensuring stable priority, success in competition and strong market position were developed. However, its implementation was very difficult, as consumers often did not know how to use the unique properties of this new material. "DuPont" Corporation took into account its previous mistakes, developed and organized the implementation of new marketing system, calling it strategic marketing, where, along with the focus on the new products, large role was given to the demand investigation [6].

Strategic innovative marketing includes:

- organization of information retrieval system with access to global and regional information networks in order to accelerate the new model creation and assess its competitiveness, the organization of corporate Intranet information system;
- selection of marketing type while conquering the sales market for newly created products and the development of innovative activities;
- development of enterprise activity in the market, unmet needs reveal and new product development;
- application of the principles of different marketing types depending on market situation:
- permanent market segmentation based on multi-criteria approach, search for rational market "niches" for new product;
- determination of market segments capacity and its dynamics, making it possible to plan the production volume and increase the rate of new products production;
- selection of pricing methodology, determination of prices for new products in accordance with demand and market conditions;
- creation of problem-oriented structures with the involvement of marketing specialists from company management functional departments, enabling to solve the problem of innovation activity planning and organizing, new products production, financing and goods promotion in the market;
- introduction of marketing functions into functional responsibilities of managers and leading specialists of design and production services, focused on the accelerated creation and development of products having high demand by means of innovative management principles;
- creation of complex teams engaged in marketing activities by product feature, which determines the market needs and company's ability to meet them;
- organization of wide advertising activities for new products promotion on the market due to trademarks, modern audio-video equipment and means of communication [3].

The following features of innovative marketing are distinguished:

- An intellectual product is prone to faster moral aging than material one. It has commercial value as long as the developer can secure monopoly rights for the product as business. This point determines the need for efforts to protect and preserve intellectual property rights, as well as to ensure its patent clearance. These efforts are made in the process of scientific and technical products marketing.
- It is sometimes a considerable period of time between the development and application of scientific and technical products, the final result of its application is completely manifested in particular future period. The competitiveness of the future final product among others depends on the correct choice of research direction during R&D of its development. Hence, in the innovative marketing system a significant place should be occupied by

technological forecasting, aimed at the identification of such R&D directions, which implementation results will be competitive in the future.

- Since the product of scientific and technical activities is the source of the final product, the marketing of the first one cannot be effective without market investigation of the second one. In other words, it is necessary with the required accuracy to investigate the direction of changing needs not only in the intellectual, but also in the final product.
- The consumer value of intellectual product is its ability to save living and materialized labor in the field of material production. Therefore, marketing efforts should be aimed at this ability investigation. The price of intelligent product depends to a greater degree on the size of these savings than on the cost of its development (along with other factors).
- Businesses should respond to everything that happens in the market, meet the needs, organize and develop new production. Leading firms annually launch new product models to meet the individualized needs of customers [5].

At present the consumer is not only a target reference point for the new production organization, but also the first-hand source of business. Therefore, in our opinion, the innovative marketing requires the restructuring of management organizational structure raising the status of the head of marketing department to the level of first deputy general director, as well as the creation of integrated teams engaged in marketing activities [8]. The head of marketing department reports directly to the general director. His primary task is to coordinate the work of the department as a whole. The specialists of the innovative marketing team (innovation managers, development engineers, sales staff, marketers, production engineers, economists-financiers, supply and sales agents) should be able to respond quickly to the changing market situation. The primary task of marketing departments at the initial stage of the innovation search is market research, such as: the level of demand and competition, customer behavior and the dynamics of its advantages, the availability of competing products and opportunities to consolidate the novelty in the market [1].

In the world practice there is a good experience in the direction of complex teams' organization. In the 80's of the XX century temporary creative teams, able to solve the problems quickly and efficiently, were formed in scientific and design organizations. Such teams on behalf of the organization concluded contracts for the works performance and their products sales, if required; they were reorganized engaging other specialists into the work, they were quickly rebuilt to fulfill new orders. In order to accelerate the creation and development of new products, development of organizational and managerial innovations while working with their products consumers, the principles of innovative marketing were used and the product was immediately introduced into production [9].

Under the competition conditions the efficiency of command-oriented structures work considerably increases if experts from functional departments of the company management take part in their activity. They establish not only internal, but also international relations; establish relationships with consumers, competitors, creditors, banks; perform planning, accounting, organization of production, financing. With this approach, the concept of innovative marketing is improved, developed, reaches the new level [7].

## 5. Conclusions and Further Research Implications.

Summarizing all mentioned above, we can conclude that under modern conditions while developing industrial and trade policy based on innovative marketing it is necessary to ensure the unity and harmony of manufacturers and consumers interests. It is worthwhile to ensure proper reflection of functional departments (production, management, social) by innovative marketing system; marketing system integrity; statistics optimality, dynamics of innovative marketing system as well as continuity and synergy of marketing actions.

# Author details (in Ukrainian) ДИНАМІКА СКЛАДОВИХ ІННОВАЦІЙНОГО МАРКЕТИНГУ

### Оксана ВІВЧАР

Західноукраїнський національний університет вул. Львівська 11, м. Тернопіль, 46009, Україна

e-mail: o.vivchar84@gmail.com

ORCID ID: http://orcid.org/0000-0001-9246-2226

# Марія ЗЯЙЛИК

Тернопільський національний технічний університет імені Івана Пулюя

вул. Руська 56, м. Тернопіль, 46001, Україна

e-mail: zyachamf@gmail.com

ORCID ID: http://orcid.org/0000-0002-8435-8565

**Анотація:** Сучасний стан економіки України характеризується посиленням конкуренції і зростаючим впливом маркетингової інноваційної діяльності на темпи економічного зростання. У статті розглядається питання про вплив складових інноваційного маркетингу на підвищення конкурентоспроможності підприємства, також розкривається сутність маркетингу в управлінні інноваціями.

У статті проведений аналіз таких економічних категорій як "інновація", "інноваційна політика", "інноваційний маркетинг", визначено їх роль та значення у господарській діяльності підприємств. Також встановлено вплив складових інноваційного маркетингу на ефективність загальної діяльності підприємства, оптимізацію його виробничого процесу та підвищення рентабельності підприємства.

В даний час підприємства стоять перед необхідністю оновлення технологічної бази виробництва, покращення якості продукції, яка випускається з метою розширення ринків збуту. Цього можна досягнути за рахунок проведення активної інноваційної політики і за рахунок використання елементів інноваційного маркетингу на підприємстві.

Дослідження ринку нової продукції необхідно для виявлення потреб споживачів, на підставі яких може бути створений новий образ продукту. Саме для цих цілей необхідно використовувати складові інноваційного маркетингу, який являє собою особливий вид цілеспрямованої творчої діяльності по безперервному здійсненню якісного вдосконалення продуктів та інструментів маркетингу.

При розробці ринкової стратегії у вітчизняній практиці зазвичай використовують два види маркетингу: продуктовий, орієнтований на певний виріб або ж послугу; споживчий, орієнтований на якусь групу споживачів та інтегрований маркетинг, орієнтований як на продукт так і на споживача. Кожен з цих видів маркетингу спрямований на один з двох складових процесу реалізації: товар або його покупця. В обох випадках виробник ризикує. Він може зробити продукт, який невідомо хто купить, або знайти споживача, але не зуміє задовольнити його запити і реалізувати виріб.

За рахунок проведення активної інноваційної політики та використання елементів інноваційного маркетингу, на підприємствах можна досягнути оновлення технологічної бази виробництва, покращення якості продукції, що випускається з метою розширення ринків збуту.

**Ключові слова:** маркетинг, інноваційна політика, інноваційний маркетинг, інструменти маркетингу, конкурентоспроможність, інновація, ринкова стратегія.

## Appendix A. Supplementary material

Supplementary data associated with this article can be found, in the online version, at <a href="http://sepd.tntu.edu.ua/images/stories/pdf/2021/21voiimc.pdf">http://sepd.tntu.edu.ua/images/stories/pdf/2021/21voiimc.pdf</a>

#### **Funding**

The authors received no direct funding for this research.

#### **Citation information**

Vivchar, O. & Ziailyk, M. (2021) Dynamics of innovative marketing components. *Sotsialno-ekonomichni problemy i derzhava* [Socio-Economic Problems and the State] (electronic journal), Vol. 25, no. 2, pp. 281-286. Available at: http://sepd.tntu.edu.ua/images/stories/pdf/2021/21voiimc.pdf

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