INCREASING THE COMPETITIVENESS OF ENTERPRISES BASED ON THE USE OF MARKETING MANAGEMENT TOOLS

Purpose. The purpose of the article is to substantiate the need to use marketing management tools to increase the competitiveness of the enterprise and create a model of interaction of tools in the implementation of marketing strategies.

Methodology / approach. The research was conducted on the base of sociological methods by means of statistical questioning of 200 respondent-entrepreneurs, owners, or runners of small business in the Western Region of Ukraine. Using the analysis of variance, the authors of the article studied variation of the results of the sociological investigation on marketing management tools, used for implementation of different strategies of business development. The factorial analysis was used to describe the factor structure of the marketing management tools. The calculations are made with application of the software Statistica 8.

Results. Substantiation of the use of marketing tools to increase the competitive advantage of enterprises based on the results of the conducted sociological interviewing of 200 respondent-entrepreneurs, owners or managers of small and medium-sized businesses. Referring to the results of the factorial analysis of marketing management tools, used for implementation of different strategies of business development, the researchers specify three factors.

Originality / scientific novelty. For the first time, the model of interaction of marketing management tools in the context of implementation of marketing strategies is formed, and it is investigated a structure of marketing tools at implementation of various strategies of business development to increase competitiveness of the enterprises.

Practical value / implications. The main purpose of using marketing management tools is determined, which will allow enterprises to coordinate their marketing activities, optimally allocate resources at all its stages and, as a result, will directly influence the formation and increase the level of competitiveness. The research results can be applied at enterprises of the Western region of Ukraine to provide substantiation of management decisions regarding improving competitiveness on the basis of marketing management.

Key words: marketing, strategy of development, competitive advantage of enterprises, management.

Introduction and review of literature. Under the conditions of dynamic changes in the different fields of business, efficiency of enterprises’ activity is determined by their financial-economic prospects, profitability and competitiveness. The competitiveness evaluates the capability of the enterprises to sell the goods and services with the consumer appeal being higher than the similar ones, proposed by
competitors. The study by (V. Tkach et al., 2016) indicated that after the trials of the global financial crisis, current structural and economic crisis, and widespread development of the Internet, the competitiveness of enterprises has become primarily determined by the ability to optimize internal business processes and sales flows. In such conditions, marketing investigations are of great importance. They are conducted by the enterprises to analyze the current market situation. The marketing is used not only as a field of activity, aimed at investigating of markets and organization of the promotion of goods and services, but also as a way to run a competitive struggle, to increase the competitive advantage of enterprises. Thus, application of marketing tools is much wider than the functional activity and assumes the features of the priority branch of knowledge and skills of entrepreneurs.

The development of society and establishment of market relations have forced appearance of different methodic approaches to comprehension of the concept of “competitiveness of enterprises”. The important investigations have been conducted by A. Smith (1977), M. Porter (2007), M. Tracy and F. Wiersema (2007) and others. Their scientific works stress on the essence and importance of competition, main principles of its manifestation, and competition-forming factors, etc. Among the latest publications on the competitiveness of agricultural enterprises, it is worth noting the articles by G. Berti and C. Mulligan (2016), A. Dibrova et al. (2020), A. Kucher et al. (2021), B. Nurakhova (2017), H. Urbancová and P. Vrabcová (2021), I. Vinichenko et al. (2021).

The issue of application of marketing tools has been studied by some well-known foreign and domestic scientists, particularly I. Biaksane and I. Judrupa (2018), D. Kurtz and L. Boone (2003), G. Eckhardt (2019), V. Korinev and D. Martinenko (2014), F. Kotler (2020), Ye. Krykavskyi, A. Starostina and N. Honcharov (2009), N. Popova (2019), N. Volkova and T. Oklander (2009), R. Lepa et al. (2012), Yu. Petrunia and V. Petrunia (2016) and others. In their works, much attention is paid to the theoretical-methodological issues of marketing, both as a science and a kind of activity. Their research was focused on the definition of the functional essence of marketing, its principles, peculiarities, etc. However, the use of marketing tools to increase the competitive advantage of enterprises on the fundamentals of management is not sufficiently studied, as well as the systematization of its strategic constituent as a means of applied use of knowledge, skills and competences to run business under the conditions of rapid changes at the market is not properly investigated. Thus, E. Janšto et al. underlines that marketing management is not just a management of organization's marketing activities, but it also includes the management of all activities whose main focus is on customer satisfaction and exploiting market opportunities (E. Janšto et al., 2019).

In the process of using a particular control system, the theoretical features of its application are embodied at the application level, which creates opportunities for formation of the proposals on improvement of the specifics of the system functioning. We agree with the authors (V. N. Xuan et al., 2020) that, the performance of the enterprises is influenced by different factors: scale, growth rate, profitability, and
industry cohesion of enterprises. Thus, new experience and experiments with planned operations within a certain system of management will allow judging about the possibilities of its improvement or elimination of the deviations that can be detected during the practical activity (G. Pawlowski et al., 2019).

We share the opinion of the authors (N. Pavlenchyk et al., 2019) that, the study draws attention to the fact that it is necessary to study phenomena not only from a theoretical point of view but also to test empirically, involving the participants in the process. Under modern conditions of the national economy, when the competition both at the domestic and foreign markets has reached its maximum level, it is necessary to apply every possible method and means of marketing, which can improve the market conditions of the enterprise. According to scientists (V. Yuzevych et al., 2016) trust promotes consumers’ decision-making with regard to interaction and changes the approaches to marketing activities of business entities. The scientist I. Biuksanee and I. Judrupa (2018) considers that competitiveness is one of conditions for economic recovery in the modern fierce competitiveness environment. To facilitate product sales and be able to derive profit from business, a well thought-out and result-based marketing and management system is required. The subjects of entrepreneurship constantly need to develop existing approaches to the formation of new tools for generating solutions to ensure a high level of competitiveness in the long run. Such researchers as J. Stusek et al. (2017) affirm that every information system that is to support efficiently a company’s strategy must, on the one hand, be able to implement (bring in from the outside) good practice and principles of strategic decision-making into the process of creating and implementing a business strategy, forcing the company management to use experience and best practices.

The practical experience substantiates that there is a positive association between return on sales and marketing strategy; return on sales and degree of flexibility of marketing strategy; return on sales and degree of business collaboration in marketing. Thus, the researchers P. Panarad et al. (2018) suggest that the number of monitored metrics has a statistically significant impact on return on sales, and there is a statistically significant difference in marketing system depth between the countries. We agree with the scientists (A. Riswantoa et al., 2020) that market orientation has a positive influence on performance.

Any enterprise, which is the element of the country macrosystem, operates under the effect of the system of subjective and objective factors, which directly or indirectly influence its activity. Thus, the opinion of the authors (G. V. Myskiv et al., 2018) is totally correct, affirming that such environment is integrated one. However, under current conditions, an important position is occupied by digital technologies, particularly for determination and formation of the strategy of development, as well as increase of competitive advantage of the enterprise, strengthening its position at the market. Those technologies are revealed in some specific tools, which enable the enterprise to make a relevant managerial decision on a definite marketing strategy in the optimal terms. The scientists E. Jansto et al. considers that effective implementation of the information technologies and digital tools secures the benefits
of the digital age to create a strong brand (E. Janšto et al., 2019). The number of enterprises using information communication technologies is rapidly growing. New digital tools and innovations have changed the way we do business. According to the opinion of such researchers as H. Xuhua et al. (2019), the higher the level of e-commerce production is among small and medium-sized enterprises, the higher the degree of competitive advantage they gain.

**The purpose of the article** is to substantiate the need to use marketing management tools to increase the competitiveness of the enterprise and create a model of interaction of tools in the implementation of marketing strategies.

*Methodology.* The research methodology involved identifying an understanding of the effectiveness of the use of marketing management tools by entrepreneurs of various forms of management and activities, as well as its role in management decisions-making in the context of increasing competitiveness. To do this, a model of interaction of marketing management tools in terms of the implementation of marketing strategies was formed and the structure of marketing tools in the implementation of various business development strategies was investigated to increase the competitiveness of the enterprise.

The research was conducted on the base of sociological methods by means of statistical questioning of 200 respondent-entrepreneurs. The respondents were owners or managers of small and medium-sized businesses in the Western region of Ukraine, whose enterprises are engaged in the production of various types of products. In particular, representatives of farms, enterprises of light and food industry, commercial enterprises were interviewed. The sociological research was conducted using the developed author's questionnaire, the questions of which concerned the development strategy of firms and marketing tools used by entrepreneurs in order to attract more customers and increase competitiveness. We sent the questionnaire to the e-mail addresses of the respondents of Ivano-Frankivsk, Ternopil and Khmelnytsky oblasts, with their prior consent, and the entrepreneurs operating within the Lviv oblast filled it at the Economic Forum and in person.

To take into account the experience of conducting economic activity, small and medium-sized businesses were divided into 3 groups: those “more than 5 years on the market”, “3 to 5 years” and “1 to 3 years”. The survey was conducted among representatives of various economic spheres – agricultural production, light and food industries, commercial enterprises. According to the demographic and social structure, the respondents were divided as follows:

1. Age structure of respondents – 27.5 % entrepreneurs aged 18 to 25; 44.2 % – 25–40 years; 28.3 % – over 40 years;
2. By gender – 62.3 % of respondents – men and 37.7 % – women;
3. The allocation of company owners by location showed that only 19.5 % of enterprises operate in rural areas, while 80.5 % – in cities of district and regional significance.

Using the analysis of variance, the authors of the article studied variation of the results of the sociological investigation on marketing tools, used for implementation
of different strategies of business development. The respondents were asked the question: “How long have you been functioning at the market?” “More than 5 years” answered 38% of respondents; 20% of respondents – from 3 to 5, 20% – from 1 to 3, and 15% of questioned said were at the market as beginners. The factorial analysis was used to describe the factor structure of the marketing tools. Compactness of the sampled populations is assessed by the value of the determination factor:

\[ V = 100 \cdot \frac{SD}{M}, \]

where \( M \) – is the arithmetical average of the strategies;
\( SD \) – is the standard deviation.

The calculations were made with application of the software Statistica 8.

**Results and discussion.** The strategy of the enterprise development is shaped on the base of fulfilment of the definite target goals in the shortest terms and at the minimum costs. Thus, production and sale of the competitive products, which create the competitive advantage of the enterprise, depends on the involvement of innovative marketing tools by the enterprise while investigating the market and shaping the marketing strategies, as well as on the competence of managers to determine and clearly set the tasks on minimization of risks of the market environment and improvement of the competitive advantages.

The model of marketing management tools interaction while implementing marketing strategies. The model is composed on the base of the sociological survey, presented at the Fig. 1.

**Fig. 1. The model of marketing management tools, used while implementing different strategies of enterprise development**

*Source: developed by the authors.*
The sociological surveys demonstrate that while implementing the strategies of development, entrepreneurs try to apply the maximal number of marketing management tools. However, while implementing the strategies, intended for the enterprise to maintain the achieved level at the market or to reduce its presence, the respondents do not use such tools as franchising, branding and reputation.

1. Variability of marketing tools while implementing different strategies of business development. The investigations show a low level of respondent-entrepreneurs’ understanding of the essence and thus, insignificant use of such marketing management tools as PR-technologies, marketing accounting, branding and franchising (Table 1).

Table 1

Results of the sociological surveys on application of marketing management tools while implementing different strategies of business development, number of enterprises

<table>
<thead>
<tr>
<th>Strategy of business development</th>
<th>Advertising</th>
<th>PR technologies</th>
<th>Branding</th>
<th>Market monitoring</th>
<th>Pricing policy</th>
<th>Marketing accounting</th>
<th>Reputation</th>
<th>Franchising</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entry into new markets</td>
<td>94</td>
<td>20</td>
<td>5</td>
<td>32</td>
<td>45</td>
<td>3</td>
<td>15</td>
<td>35</td>
</tr>
<tr>
<td>Active growth</td>
<td>70</td>
<td>18</td>
<td>21</td>
<td>24</td>
<td>48</td>
<td>5</td>
<td>24</td>
<td>4</td>
</tr>
<tr>
<td>Innovator</td>
<td>65</td>
<td>15</td>
<td>43</td>
<td>35</td>
<td>50</td>
<td>4</td>
<td>32</td>
<td>0</td>
</tr>
<tr>
<td>Offensive</td>
<td>70</td>
<td>16</td>
<td>51</td>
<td>26</td>
<td>66</td>
<td>7</td>
<td>44</td>
<td>19</td>
</tr>
<tr>
<td>Protection of the leading positions at the market</td>
<td>35</td>
<td>22</td>
<td>59</td>
<td>29</td>
<td>56</td>
<td>10</td>
<td>37</td>
<td>0</td>
</tr>
<tr>
<td>Differentiation</td>
<td>10</td>
<td>7</td>
<td>9</td>
<td>5</td>
<td>14</td>
<td>2</td>
<td>18</td>
<td>0</td>
</tr>
<tr>
<td>Concentrated marketing</td>
<td>38</td>
<td>16</td>
<td>18</td>
<td>12</td>
<td>30</td>
<td>3</td>
<td>23</td>
<td>0</td>
</tr>
<tr>
<td>Cost reduction</td>
<td>5</td>
<td>3</td>
<td>0</td>
<td>16</td>
<td>30</td>
<td>2</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>Exit</td>
<td>11</td>
<td>6</td>
<td>0</td>
<td>17</td>
<td>38</td>
<td>3</td>
<td>1</td>
<td>16</td>
</tr>
<tr>
<td>Economic rehabilitation</td>
<td>2</td>
<td>10</td>
<td>0</td>
<td>6</td>
<td>59</td>
<td>1</td>
<td>0</td>
<td>20</td>
</tr>
<tr>
<td>Max</td>
<td>94</td>
<td>22</td>
<td>59</td>
<td>35</td>
<td>66</td>
<td>10</td>
<td>44</td>
<td>35</td>
</tr>
<tr>
<td>Min</td>
<td>2</td>
<td>3</td>
<td>0</td>
<td>5</td>
<td>14</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>M</td>
<td>40.0</td>
<td>13.3</td>
<td>20.6</td>
<td>20.2</td>
<td>43.6</td>
<td>4.0</td>
<td>19.5</td>
<td>10.4</td>
</tr>
<tr>
<td>V (%)</td>
<td>82.4</td>
<td>48.2</td>
<td>109.2</td>
<td>52.5</td>
<td>36.1</td>
<td>67.7</td>
<td>79.9</td>
<td>114.5</td>
</tr>
</tbody>
</table>

Source: authors’ calculations.

The research determines high heterogeneity (V = 36.1–114.5 %) of application of each of eight forms of marketing tools while implementing ten studied strategies of business development (Table 1, Fig. 2).

The detailed analysis of the data of the sociological surveys demonstrates that most respondents do not use marketing accounting in their activities, whereas 37.9 % have no idea of its essence. Only each tenth of the interviewed entrepreneurs use PR-technologies to enter new markets, whereas advertising is used by 47 %. In total,
98% of those, who use PR-technologies, consider that the Internet is the main channel of communication with customers. Thus, the analysis shows that an insignificant share of entrepreneurs, i.e. only 5%, use the maximal range of marketing management tools while implementing their business strategies. The traditional tools include advertising, pricing policy, and market monitoring.

Fig. 2. Application of marketing tools while implementing different strategies of business development \((M + SD, n = 10)\)

*Source: authors’ calculations.*

The results of the sociological surveys on application of each of those eight forms of marketing management tools while implementing different strategies of business development were subjected to the analysis of variance. The analysis determines statistically significant discrepancies between the popularity of studied marketing management tools \((p < 0.001)\) as well as used strategies of business development (Table 2).

### Table 2

<table>
<thead>
<tr>
<th>Source of variation</th>
<th>SS*</th>
<th>df</th>
<th>MS</th>
<th>F</th>
<th>p</th>
<th>F (0.05)</th>
<th>Q %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategy</td>
<td>8769.3</td>
<td>9</td>
<td>974.4</td>
<td>4.830</td>
<td>6.4E-05</td>
<td>2.032</td>
<td>25.2</td>
</tr>
<tr>
<td>Marketing</td>
<td>13338.4</td>
<td>7</td>
<td>1905.5</td>
<td>9.446</td>
<td>5.9E-08</td>
<td>2.159</td>
<td>38.3</td>
</tr>
<tr>
<td>Interaction</td>
<td>12708.1</td>
<td>63</td>
<td>201.7</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>36.5</td>
</tr>
<tr>
<td>Total</td>
<td>34815.8</td>
<td>79</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>100.0</td>
</tr>
</tbody>
</table>

*Note.* *SS* – is the sum of the squares of deviations from the mean;  
*df* – is the number of the degrees of freedom;  
*MS* – is the variance;  
*F* – is the Fisher-Snedecor statistics;  
*p* – is the significance;  
*Q* – is the share of the total variation.  
*Source: authors’ calculations.*
The contribution of the discrepancies between the kinds of marketing management tools, used for implementation of different strategies of business development, accounted for 38.3% in the total variation, whereas the contribution of the discrepancies between the strategies accounted for 25.2%. The relative variation under the interaction of the results of those two factors accounted for 36.5%.

According to the results of the single-factor analysis of variance, the difference between the ten mentioned strategies of business development, while applying eight kinds of the studied marketing management tools, was substantiated at the level of significance $p = 0.011$ (Table 3).

Table 3

<table>
<thead>
<tr>
<th>Source of variation</th>
<th>SS</th>
<th>df</th>
<th>MS</th>
<th>$F$</th>
<th>$p$</th>
<th>$F (0.05)$</th>
<th>$Q%$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between groups</td>
<td>8769.3</td>
<td>9</td>
<td>974.4</td>
<td>2.619</td>
<td>0.011</td>
<td>2.017</td>
<td>25.2</td>
</tr>
<tr>
<td>Internal</td>
<td>26046.5</td>
<td>70</td>
<td>372.1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>74.8</td>
</tr>
<tr>
<td>Total</td>
<td>34815.8</td>
<td>79</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: authors’ calculations.

2. The factor structure of marketing tools. According to the results of the factorial analysis of marketing management tools, used for implementation of different strategies of business development, the researchers specified three factors (Fig. 3). The first factor, taking 41.5% of the total variation, integrates three marketing tools, particularly branding, marketing accounting, and reputation (Table 4).

Table 4

<table>
<thead>
<tr>
<th>Marketing tools</th>
<th>Factor 1</th>
<th>Factor 2</th>
<th>Factor 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising</td>
<td>0.169</td>
<td>0.172</td>
<td>0.955*</td>
</tr>
<tr>
<td>PR technologies</td>
<td>0.524</td>
<td>0.201</td>
<td>0.695*</td>
</tr>
<tr>
<td>Branding</td>
<td>0.943*</td>
<td>0.084</td>
<td>0.273</td>
</tr>
<tr>
<td>Market monitoring</td>
<td>0.385</td>
<td>0.263</td>
<td>0.755*</td>
</tr>
<tr>
<td>Pricing policy</td>
<td>0.455</td>
<td>0.835*</td>
<td>0.179</td>
</tr>
<tr>
<td>Marketing accounting</td>
<td>0.882*</td>
<td>0.192</td>
<td>0.246</td>
</tr>
<tr>
<td>Reputation</td>
<td>0.826*</td>
<td>-0.053</td>
<td>0.468</td>
</tr>
<tr>
<td>Franchising</td>
<td>-0.563</td>
<td>0.727*</td>
<td>0.276</td>
</tr>
<tr>
<td>Eigenvalues</td>
<td>3.32</td>
<td>1.41</td>
<td>2.43</td>
</tr>
<tr>
<td>Factor contribution (%)</td>
<td>41.5</td>
<td>17.6</td>
<td>30.3</td>
</tr>
</tbody>
</table>

Note. *$p < 0.05$.

Source: authors’ calculations.

The second factor, taking 17.6% of the total variation, integrates two marketing management tools, i.e. pricing policy and franchising, and the third one (30.3%) – advertising, PR technologies, and market monitoring. The three factors have significant proper figures (1.41–3.32). The correlation of the mentioned factors with the constituents of the marketing management tools was at a high level, i.e. by the value of the correlation factors it was 0.695–0.955 ($p < 0.05$).
Fig. 3. The factor structure of marketing management tools, used while implementing different strategies of business development: 1 – advertising, 2 – PR technologies, 3 – branding, 4 – market monitoring, 5 – pricing policy, 6 – marketing accounting, 7 – reputation, 8 – franchising  

Source: authors’ calculations.

The challenges and risks, accompanying the enterprises at the market, cause the need to assess business environment and develop marketing strategies with a set of the appropriate means. Such development of the strategy suggests the process of management of the enterprise activities to achieve the internal perfection and balance between its goals, tasks and opportunities of their implementation and achievement. It plays a coordinating role in development of the enterprise activities, provides opportunities for solution or prevention of some problems, and focuses activities on the task fulfillment, etc. The process of formation of an effective marketing strategy requires involvement of the tools and levers of economic development, which are the most relevant to the set tasks.

**Conclusions.** The results of the sociological surveys on application of marketing management tools while implementing different strategies of business development have great variation both by the kinds of tools ($p < 0.001$) and by the kinds of strategies ($p = 0.011$).

The structure of marketing management tools is based on three factors: branding, marketing accounting, and reputation (1); advertising, PR technologies, and...
market monitoring (2); pricing policy and franchising (3), which together cover 89.5% of the total variation of the results under the correlation of factors with the components of the tools (0.695–0.955; \( p < 0.05 \)).

The choice of marketing management tools, which make the most efficient impact in the increase of the competitive advantage of the enterprise, depends on the kind of the chosen strategy and approved rational managerial decision.

The main goal of using marketing management tools is to prepare and create a complex and integrated mechanism, which is focused on the market investigation, involvement of necessary resources, and formation of an optimal marketing strategy. The use of such mechanism enables coordinating of marketing activities of the enterprise, optimal distributing of resources at all stages and, finally, immediate influencing formation and increase of the level of the competitiveness of the enterprise.

The proposed methodological approach and the results of the study can be applied at the enterprises of the Western region of Ukraine to ensure the substantiation of management decisions on the basis of marketing management. A promising direction of research is to determine the features of the use of marketing management tools in agricultural enterprises of various organizational-and-legal forms, sizes and areas of specialization.

References


Agricultural and Resource Economics: International Scientific E-Journal
http://are-journal.com

Know], Alpina Publisher, Kyiv, Ukraine.


Citation:

Стиль – ДСТУ:

Style – APA: