

1. Теорії та моделі підприємств

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MARKETING CONCEPT STIMULATES ECONOMIC DEVELOPMENT OF OUR COUNTRY

Summary. This research work outlines importance, factors of marketing concept and shows how the later escalates economic development of the country.

Анотація. Дане дослідження визначає роль, фактори маркетингової концепції та показує вплив на подальший економічний розвиток країни

Аннотация. Данное исследование определяет роль, факторы маркетинговой концепции и показывает влияние на дальнейшее экономическое развитие страны

KEY WORDS: marketing concept, factors, economic development

КЛЮЧОВІ СЛОВА: маркетингова концепція, фактори, економічний розвиток

КЛЮЧЕВЫЕ СЛОВА: маркетинговая концепция, факторы, экономическое развитие

There is a direct correlation between marketing concept and economic development of organizations and the country as a whole. Marketing concept is not a new idea in business. The philosophy related with marketing concept stating that «the needs of producers should be considered only with regard to meeting the needs of consumers» [1] appeared more than 200 years ago, but wasn't used for a long time. The contemporary idea of marketing concept was introduced by marketers in USA about half a century ago. But it is not so well known or truly understood and not so frequently applied in Ukrainian business practices. Marketing concept is a new philosophy in business and a new paradigm in business thinking. The definition of marketing concept follows « It holds that achieving organizational goal depends on determining the needs and wants of target markets and delivering the desired satisfactions more effectively and efficiently than competitors» [2, p. 12]. The main difference and key distinction of this concept as we understand is that it focuses profoundly for the first time in business history on customers, their

needs, wants and satisfaction of those mentioned. The traditional business always at first looks at itself, the production, the product, the selling, the profit, etc. and finally at the customers.

Satisfaction of actual people's needs means providing best products, excellent services, truthful programs and fair policy on behalf of the companies. It requires applying best management and business ideas, innovative technologies, high quality materials, truthful information and high morale. As a result all of us as customers and consumers would receive best education, excellent medical services, good transportation, highly competitive and qualitative goods and services. Applying marketing concept is a technological, economic, social, ecological, ethical and moral issue. It has a great potential. If we understand the real meaning and can properly use it in our business practices, in government and non government organizations all people in the society will be highly benefitted and no doubt it will stimulate rapid economic development of the country.

In the constant changing economic situation in the world, strive for economic development became inseparable part of every country's agenda. In search for more efficient ways of economic activities, a country should review its current activities and find new approaches that will satisfy better to the conditions of current situation. From the numerous business approaches that could be suggested for stimulation of economic development in Ukraine, adoption of marketing concept could be named as one of the top priorities.

As private ownership was restricted in USSR, any private business activity was considered illegal and thus the word «business» was something negative, unsocial and the government consistently formed negative attitude towards business activities in the minds of people in the society. After the collapse of the Soviet Union, in modern Ukraine attitude towards business and business people haven't changed much. General masses believe that anyone who is rich today must have stolen state owned property earlier to get starting capital. According to some researches, 50 % of the population in Ukraine have negative attitude towards business people and business itself [3].

Along with all the other risks and difficulties that entrepreneurs face doing business in Ukraine, unwelcoming attitude of people don't contribute to economic development and it is something that we should try to change. Adoption of the marketing concept would be the right managerial decision on the way of overcoming negativism in people's minds towards businesses people and thus a catalyst of economic development.

First of all to successfully practice marketing concept business should maintain bilateral communication with customers in order to

keep track on their needs and wants. This communication should influence all the business activities: starting with developing of a new product or service according to the customers' views and up to managing any complaints or comments that arise after purchasing a good or service. As soon as customers see their initial needs are amplified in new business offerings, their opinion being valid for the company and their dissatisfaction about the product or service are handled appropriately, a feeling of being cared will be maintained. Thus trustworthy, long-term relations could be built to abolish any prejudices that were predominant before.

Although building such communication with customers is vital, it's not so easy to put into practice. Creation of effective information system already could be a challenge, not to mention further alignment of all business functions to best satisfy customers needs. This might involve restructuring of objectives and internal activities of certain departments of a company. For example, if the head of the marketing department wasn't included into organization's top management, then it must be done. In cases, where the marketing department simply does not exist and it is no wonder in Ukrainian business practices then it must be created. «Marketing is not something what could be delegated to the small group of the managers, while the rest of the company does its 'own job'. Rather it is all business seen from customer perspective» [4].

Regarding the obvious similarities in purposes with economy and overall benefits it brings, marketing concept is not widely adopted in Ukraine, while it is a dominant philosophy in many countries in the world, supported by many companies.

As an example, American credit card company MBNA could be mentioned [5]. They stated their generally accepted principle of «The Customer First» on the plush carpets in their headquarter in Wilmington, Delaware and above all 350 doorways posted signs saying «Think of yourself as the customer». On the day-to-day basis, MBNA company adopted such activities as answering quickly telephone or written inquiries of customers, making billing statements error free, showing supportive attitude towards customers even in cases of their late payments. The company also pays a lot of attention to maintaining healthy and productive working environment. A portion of profit goes to employee bonuses, plus it offers individual incentives if the department meets 97 % of the performance standards set by managers. As a result, the company retains 95% of its customers each year, while competitors keep about 88 %, and holds employee turnover to 7 %, compared to an average of 21 % for competing credit card operations.

Such companies as Xerox, BMW and American Express adopted methods of stimulating employees' customer-oriented behavior by offering them monetary rewards [5]. First two companies devote some part of their profit to annual bonuses of employees for customer satisfaction. American Express uses more than 100 programs to recognize and reward employees for taking unusual care of customers.

So as one can see from the above examples, different companies put different marketing concept practices as their top priorities. It is solely up to the top management to decide, which one is the most appropriate to use for particular company in particular marketing situation. Nevertheless to identify core practical steps in application of marketing concept we held a survey among forty students of ICU–Kiev, who are taking «Sales Management» course. Being now consumers, and sales practitioners in the future, their view could represent a fair mix of considerable practical knowledge and experience.

First, students were asked to list practical factors of marketing concept they consider applicable for Ukrainian companies. Taking the total number of participants for 100 %, we can see how frequently different factors were mentioned by students.

Table 1

NECESSARY FACTORS OF MARKETING CONCEPT

Factors	% of respondents who mentioned each factor
Product quality	100
Before and after purchasing services	100
Research customers needs and wants	100
Product price	95
Product improvement and updates	95
Research market situation	95
Collect customers feedback for corrective actions	95
Well trained and polite staff	95
Image of the company	90
Product information	90
Product availability	85
Brand name	85
Promotion	70
Social responsibility of producer	50
Product packaging	30
Discounts for loyal customers	25

Second, the students ranked importance of factors on the scale from 1 to 10, meaning that 10 is the most important.

Table 2

IMPORTANCE OF FACTORS FOR APPLYING MARKETING CONCEPT

Factors	Rank that was given to each factor
Product quality	10
Before and after purchasing services	10
Research customers needs and wants	10
Collect customers feedback for corrective actions	10
Well trained and polite staff	10
Product price	9
Research market situation	9
Image of the company	9
Product information	9
Social responsibility of producer	9
Product improvement and updates	8
Product availability	8
Brand name	7
Promotion	7
Product packaging	7
Discounts for loyal customers	7

As a result, we can propose to Ukrainian companies to focus on the top factors of marketing concept above mentioned. That is researching of customers’ needs and wants, providing high quality products and ensuring excellent before and after purchasing services facilitated by well trained and polite staff that will guide and help customers in various ways, like from choosing product to handling any of their complaints.

Even though successful application of marketing concept might seem hard to reach, realizing just few of the above mentioned factors would create multiple benefits for the company itself, for the economy of our country and for the society as well. Those benefits are higher technological development, high quality products, excellent services, ethical behaviour, fair prices, true advertisement, ecological awareness, diminishing corruption and so on.

To conclude, we could say that stimulation of economic development of the country is not an easy and one day task, but rather it depends on united efforts of all participants of the business world in the country. Proper application of marketing concept can lead to creating a positive attitude towards business companies, improving business environment and driving economic performance and prosperity of people.

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ВИЗНАЧЕННЯ СУТНОСТІ КАТЕГОРІЇ «ПОТЕНЦІАЛ ОБ'ЄКТА»

Аннотація. Розглянуто теоретичні проблеми формування понятійного апарату з питань визначення потенціалу об'єктів у сфері економіки.

Аннотація. Рассмотрены теоретические проблемы формирования понятийного аппарата по вопросам определения потенциала объектов в сфере экономики.

Summary. The theoretical problem of formation of notions of identify potential sites in the economy.

КЛЮЧОВІ СЛОВА: потенціал, носій, об'єкт, суб'єкт, діагностика, оцінка, підприємство.

КЛЮЧЕВЫЕ СЛОВА: потенциал, носитель, объект, субъект, диагностика, оценка, предприятие.

KEY WORDS: potential, drive, object, subject, diagnosis, evaluation, enterprise.