

# ANALYZE OF MARKETING RESOURCES OF A REGION – THE BASE FOR CREATION REASONABLE DISTRIBUTION POLICY OF INNOVATIONS AT INDUSTRIAL ENTERPRISES

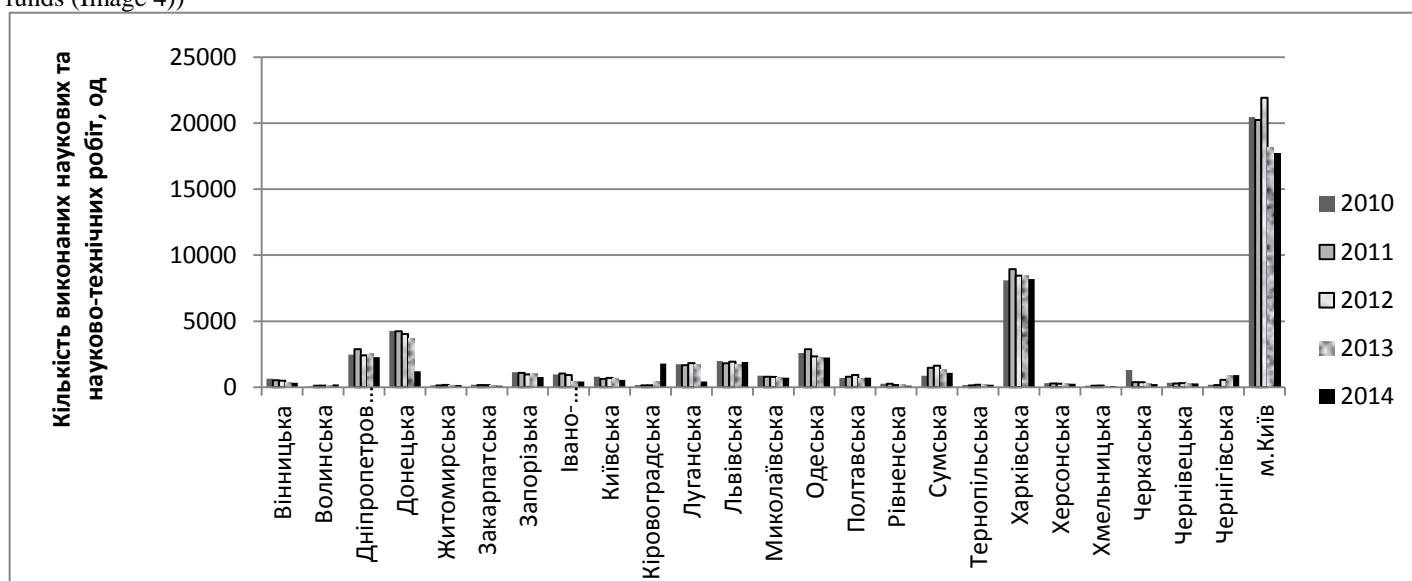
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The modern conditions indicate that building an effective marketing policy distribution industry is one of the most important factors in improving competitiveness. Moreover, the need to assess marketing resources in a region is very significant, because continuity and stability of its provision is a foundation that promotes a growth of industrial enterprises and their integration into the global supply chain. The consideration of analysis and evaluation of marketing resources in the development of the distribution system of the enterprise concerning market innovation is particularly acute, because it will consider the benefits and reduce or neutralize the possible disadvantages that fully meets the needs of the region and its characteristics and thus not only reduce the risks of distribution innovations but also improve its validity and effectiveness.

Let's analyse the level of marketing resources based on statistic date of all the regions of Ukraine in 2010-2014 by proposed structural elements:

1. *The scientific and methodological base (adopted experience)* – a knowledge which may be useful in entrepreneurship (existing principles, methods of activity etc.) to solve an existing problem, for early prediction for this problem, and depending on the circumstances, the maximum levelling with analysis of capabilities of similar experience or another region's adopting experience. So, we are talking about the knowledge that had been theoretically and practically elaborated by scientists, study of which can be observed in a scientific books, textbooks, journals, etc., and includes:

- the number of executed scientific and scientific-technical works (Image 1);
- the number of implemented scientific and scientific-technical works (Image 2);
- the number of published works (monographs, textbooks, tutorials, articles in the scientific professional journals etc.) (Image 3);
- international cooperation between scientific organisations (the Ukrainian scientists' visits and participation in seminars and conferences; international conferences, seminars, etc., held by the organization; grants received for research work from international funds (Image 4))



Picture 1 –The number of scientific and scientific-technical works sorted by regions, 2010-2014 years (based on [1- 4])

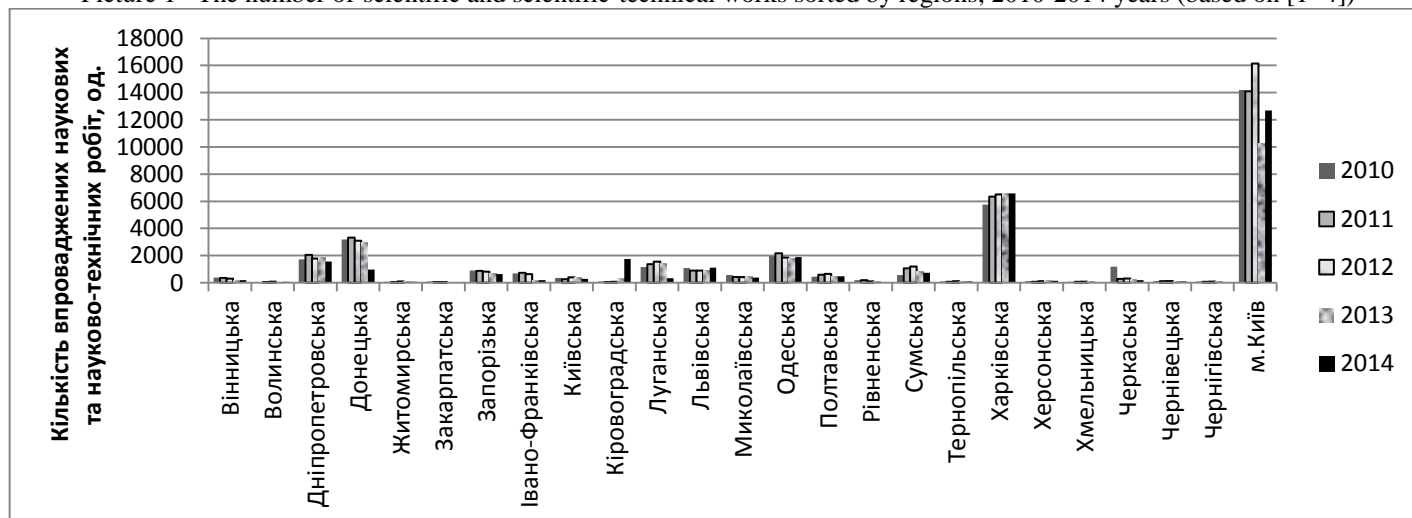


Image 2 – The number of implemented scientific and scientific-technical works sorted by regions, 2010-2014 years (based on [1- 4])

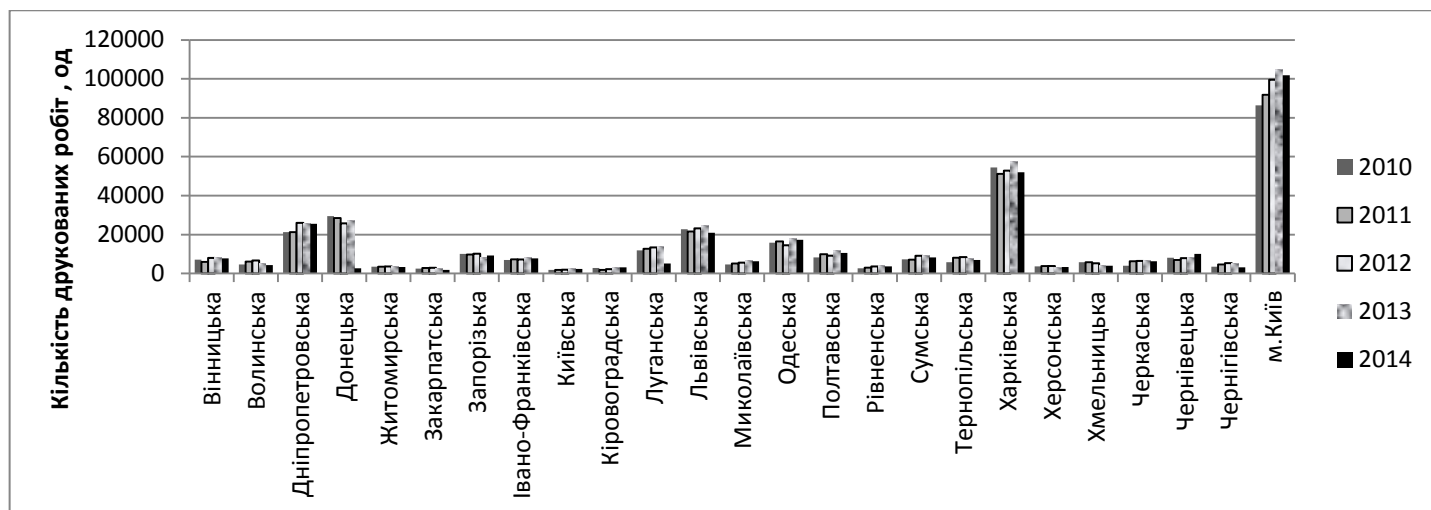


Image 3 – The number of published works sorted by regions, 2010-2014 years (based on [1- 4])

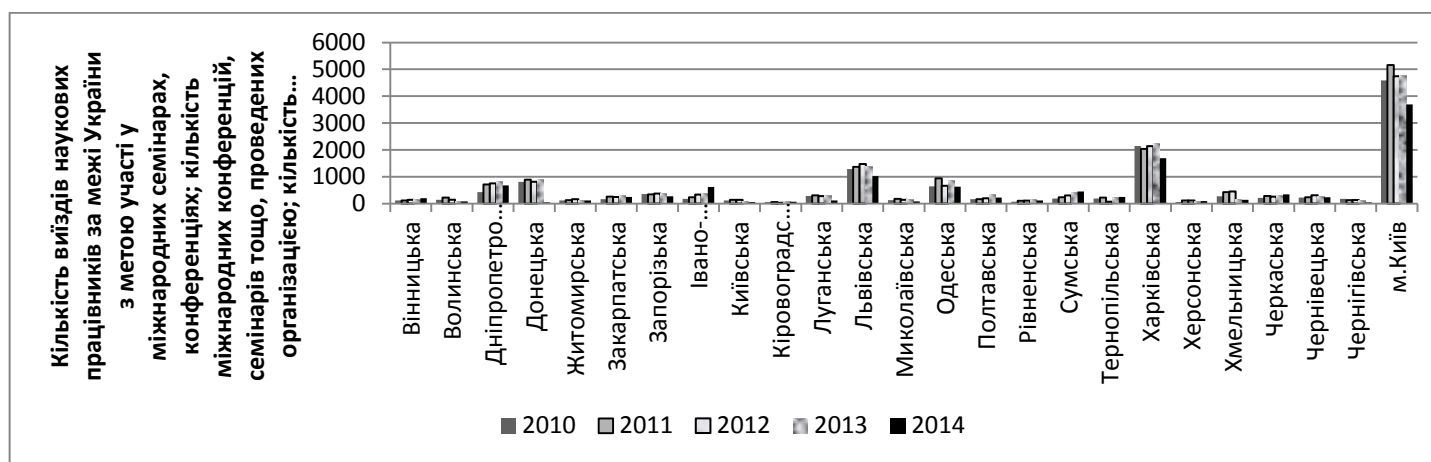


Image 4 – International cooperation between scientific organizations sorted by regions, 2010-2014 years (based on [1- 4])

2. *Special software* that makes work of marketing services (data processing, orders, plan deliveries, etc.) easier.

Data was created on base of analysis of amount of enterprises that bought cars, equipment and software (Image 5).

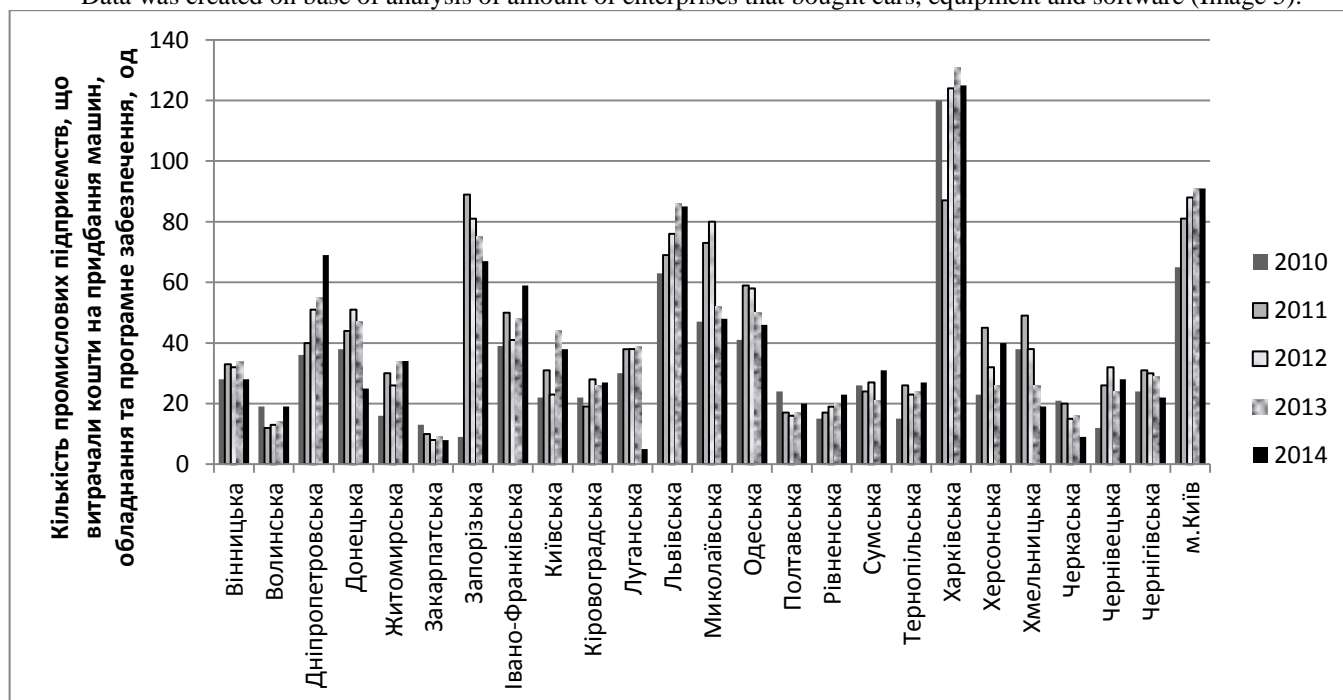


Image 5 – Industrial enterprises that spent costs on buying cars, equipment and software sorted by regions, 2010-2014 years (based on [1- 4])

3. *The strategy and development programs*, that meet the goals of the region and its objectives. The regional strategy of development is a strategic plan of regional growth, that defines goals, objectives, priorities, the direction of sustainable economic

and social development of medium (4 - 6 years) and long term (10 - 15 years) periods.

This part of marketing resources is created per aggregated data of the practical implementation of the Cabinet of Ministers of Ukraine, August 6, 2014 №385 “National Strategy for Regional Development till 2020».

The Strategy is aimed to define objectives and tools for solving social problems, improve economic potential of areas and performance of the economy, profitability and income and, consequently, to create conditions for a general increase of social standards, quality of life and business environment.

The strategical goal of the implementing state regional policy is creation of conditions for dynamic, balanced development of the regions of Ukraine to ensure social and economic unity of the state, increasing regional competitiveness, enhance economic activity, raising living standards, adherence to state-guaranteed social and other standards for every citizen regardless of residence. So, the State regional policy objectives set out in the Strategy are:

- 1) improve the competitiveness of the regions via creation optimal conditions for disclosure region's potential and the effective use of the competitive advantages of the regional economy;
- 2) territorial social-economic integration and dimensional development, that provides firstly fulfilment of objectives and implementation of measures to address the pressing issues of Donetsk and Lugansk regions, the Autonomous Republic of Crimea and Sevastopol; prevent the deepening of regional disparities in access to basic public especially social, communal, administrative, transport, information and other services; creating conditions for regional cooperation;
- 3) effective governance in regional development provides a basis for an effective implementation of the state regional policy - state mechanism and tool of regional development that will contribute to solving regional problems, primarily requires decentralization of state authority by transferring them to the local level with simultaneous adequate financial resources , improving the processes of strategic planning and execution of tasks at all levels, the introduction of an effective mechanism of coordination of central and local executive authorities, local governments in the implementation of sectoral priorities and objectives at different territorial levels

The Strategy emphasizes that today the state regional policy in Ukraine as never requires coordination of its objectives and activities with the priorities of sectoral policies. Especially it concerns such areas as transport and infrastructure; economic development and investment; business and regulatory environment; competition policy; labour market; education and research; innovation.

Implementation of the Strategy gives an opportunity to define an integral approach for creation and realization the state regional policy, which will include a combination of the following components:

- 1) sectoral — improvement of regional competitiveness by optimizing and diversifying economic structure, ensuring effective specialization of regions preferred using their own resource potential;
- 2) territorial (dimensional) — achieving steady and balanced territorial development, the development of interregional cooperation, to prevent the deepening of socio-economic disparities by creating "growth points", enhance of local economic initiatives and strengthening the capacity of rural socio-economic cohesion and uniformity of regional development to create equal conditions for development rights;
- 3) managerial — use of common approaches to the development and implementation of the regional development policy, a unified system of the strategic planning and forecasting of states and regions, optimization of the territorial organization of power authority.

However, it should be noted that this analysis for strategy and development program would be better considered after its full implementation, i.e. after 2020.

4. *The base of existing/potential customers and business partners* - list of business partners, with which the contracts for the supply of a resource, for providing certain services etc. can be signed or signed. The base of existing / potential customers - this is the list of customers who buy or might buy products or services in the region. This base may be grouped by different characteristics, which are important for the region. E.g. it may be grouped by customers if we consider innovative industrial goods: by activity, by size, by the volume of orders, by the organizational form, by the type of embedded innovation (innovative processes, innovative products, marketing and organizational innovation) and others.

The number of industrial enterprises that implemented marketing and organisational innovations are accordingly presented in the Images 6 and 7, innovative processes and innovation types of products are presented in the Images 8 and 9, and implementation of new technological processes and innovative types of products at industrial enterprises sorted by regions are presented in the Images 10 and 11.

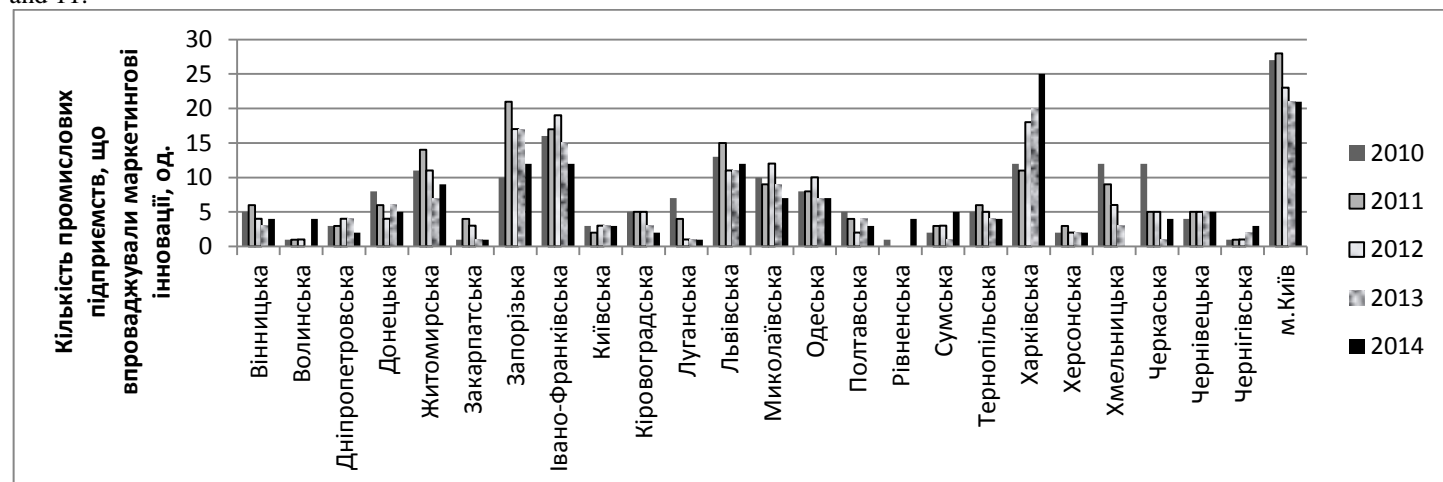


Image 6 – The number of industrial enterprises that implemented marketing innovations, 2010-2014 years (based on [1- 4])

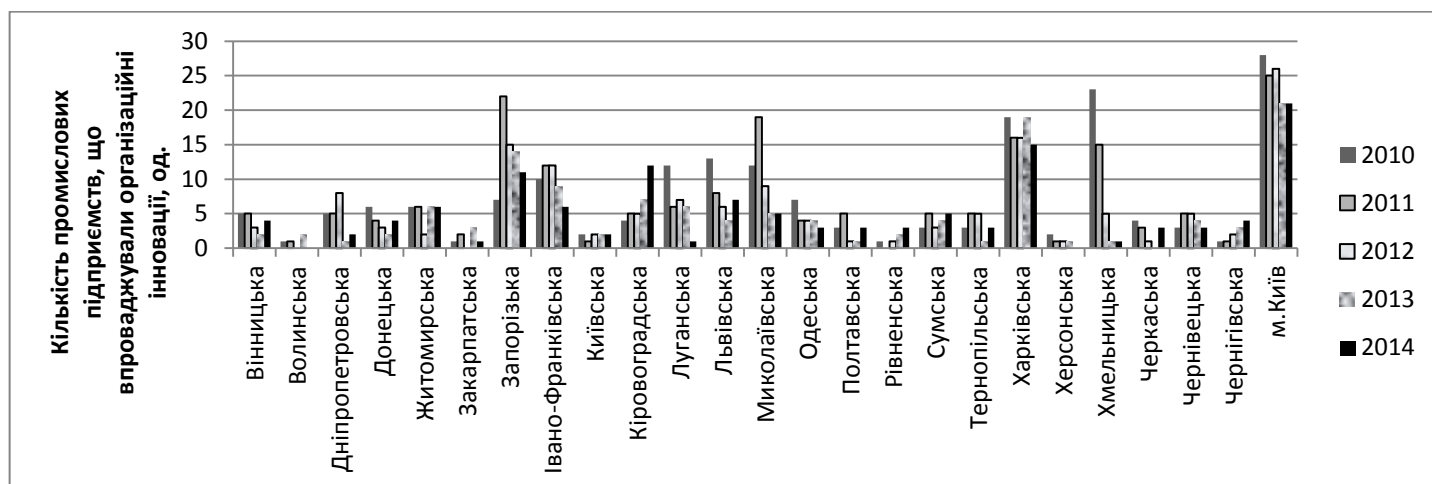


Image 7 – The number of industrial enterprises that implemented organisational innovations, 2010-2014 years (based on [1- 4])

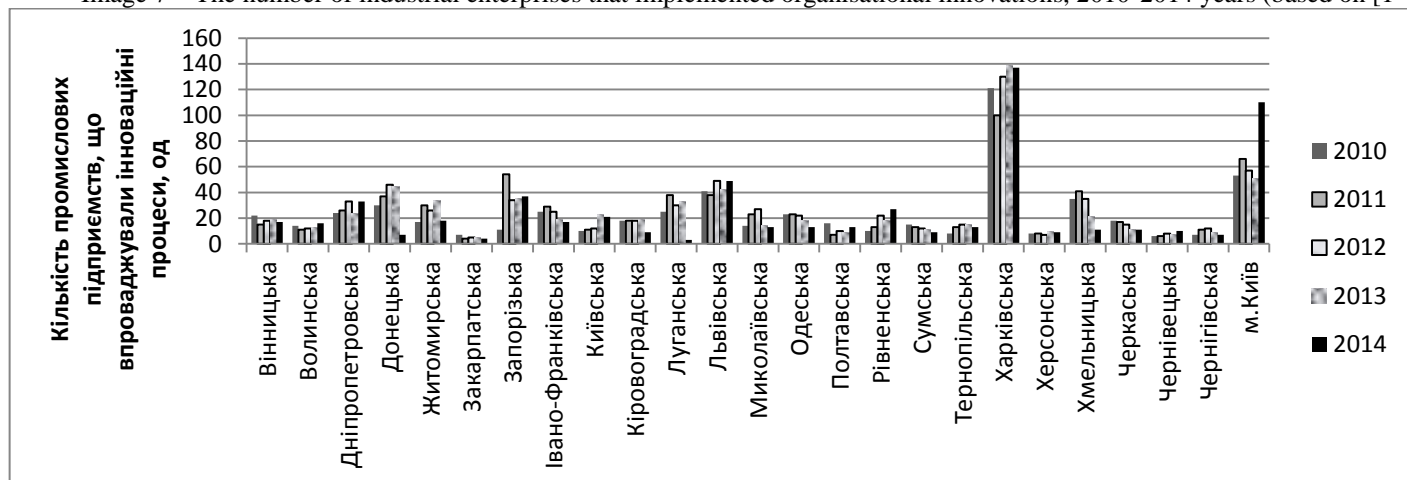


Image 8 – The number of industrial enterprises that implemented innovative processes, 2010-2014 years (based on [1- 4])

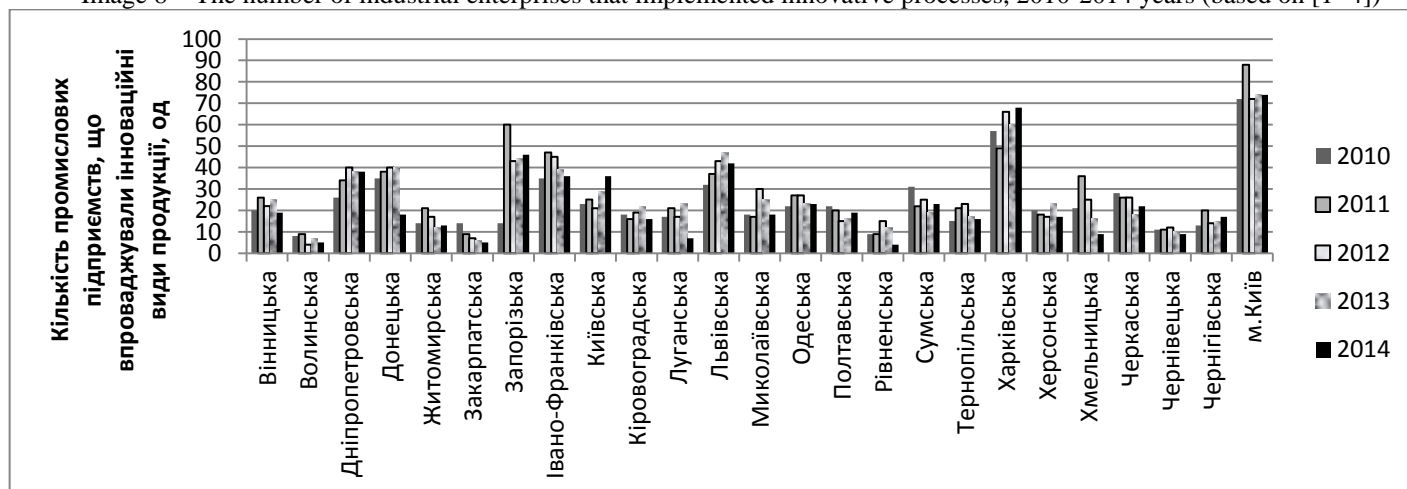


Image 9 – The number of industrial enterprises that implemented innovative types of products, 2010-2014 years (based on [1- 4])

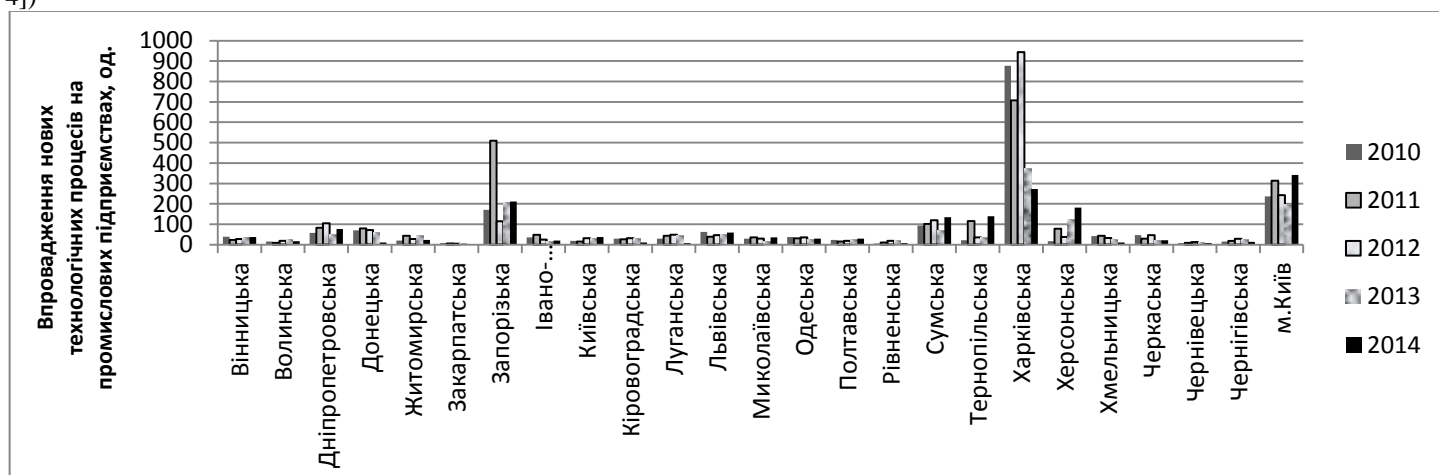


Image 10 – Implementation of new technologies at industrial enterprises sorted by regions, 2010-2014 years (based on [1- 4])

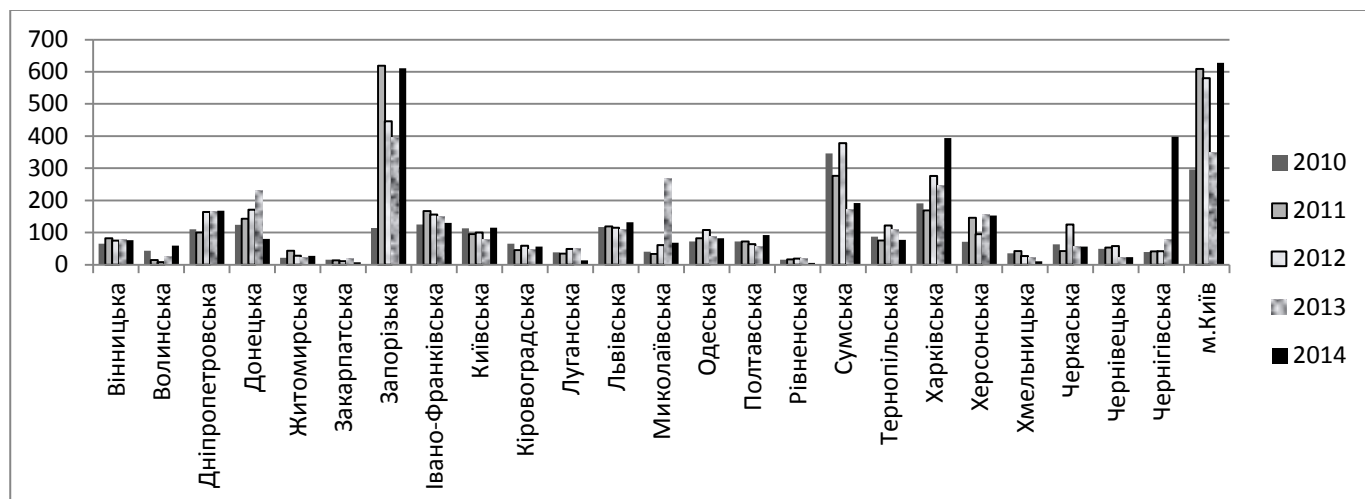


Image 11 – Implementation of innovative types of products at industrial enterprises sorted by regions, 2010-2014 years (based on [1- 4])

5. *The market position* – determination of the market position of the region now, regarding the value of the market segment within country or internationally; the number of loyal customers; the number of competitors etc.

The market position is considered as the level of activity of regional enterprises in the implementation of the industrial innovations. This component of marketing resources is created by such indicators as amount of enterprises, that sold industrial (Image 12) and innovative production in Ukraine (Image 13) and other countries (Image 14) and related amount (Images 15-16).

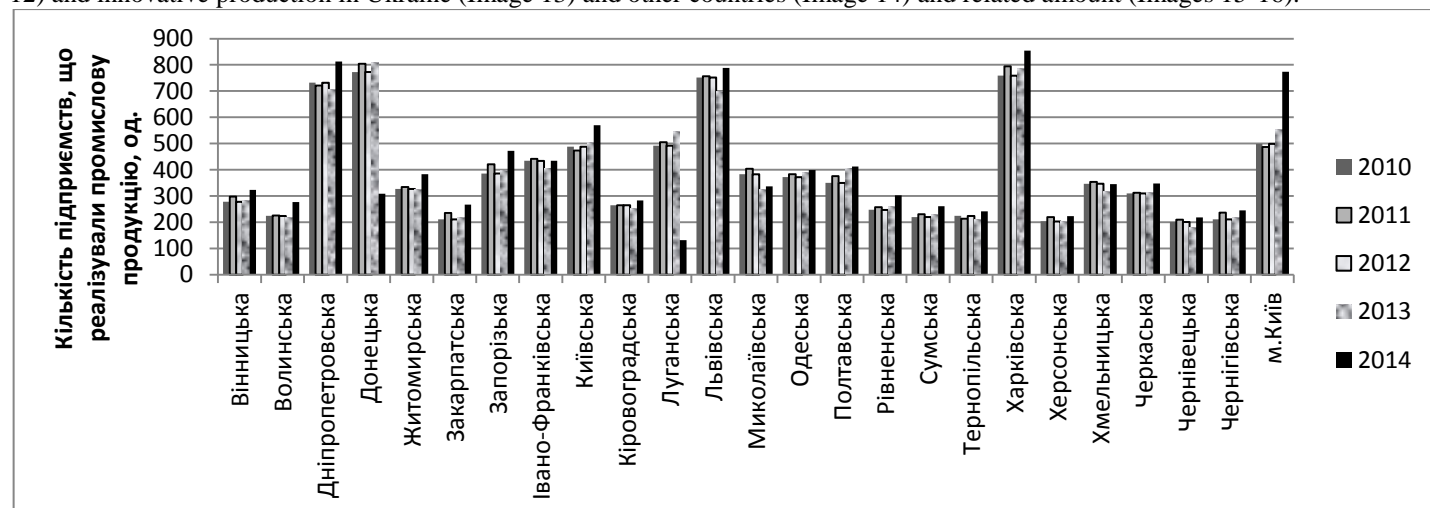


Image 12 – The number of enterprises that sold industrial products sorted by regions, 2010-2014 years (based on [1- 4])

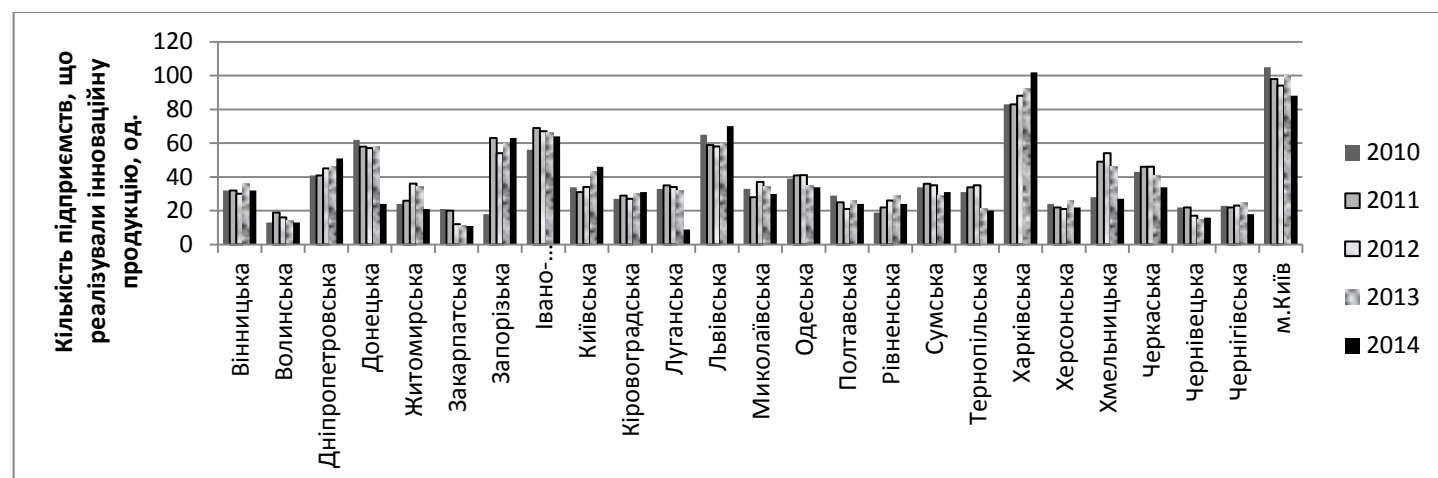


Image 13 – The number of enterprises that sold innovative production in Ukraine, 2010-2014 years (based on [1-4])

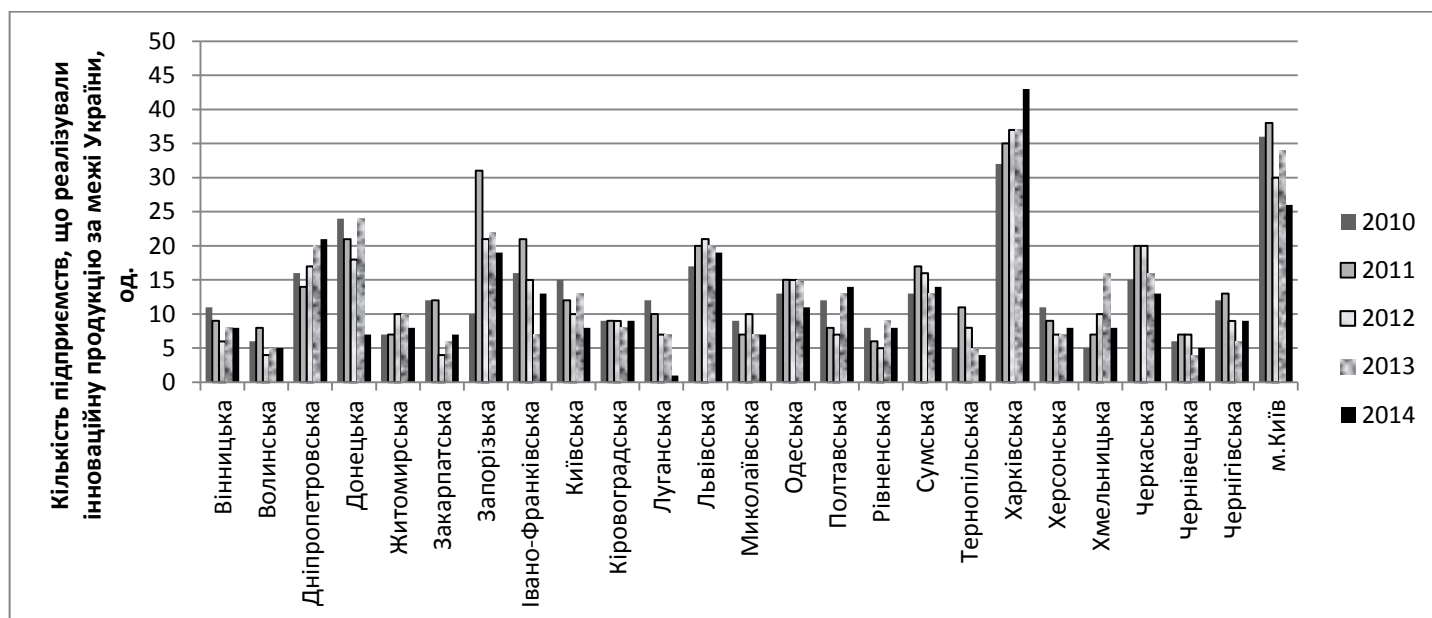


Image 14 – The number of enterprises that sold innovative production outside Ukraine, 2010-2014 years (based on [1-4])

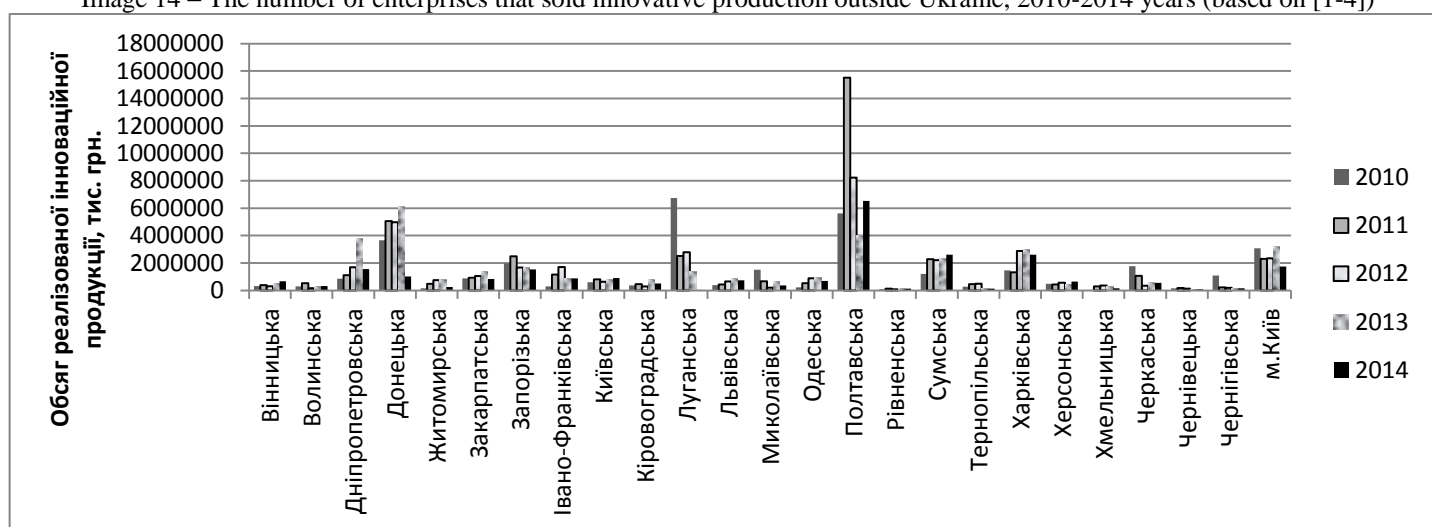


Image 15 – Amount of sold innovative production in Ukraine sorted by regions, 2010-2014 years (based on [1-4])

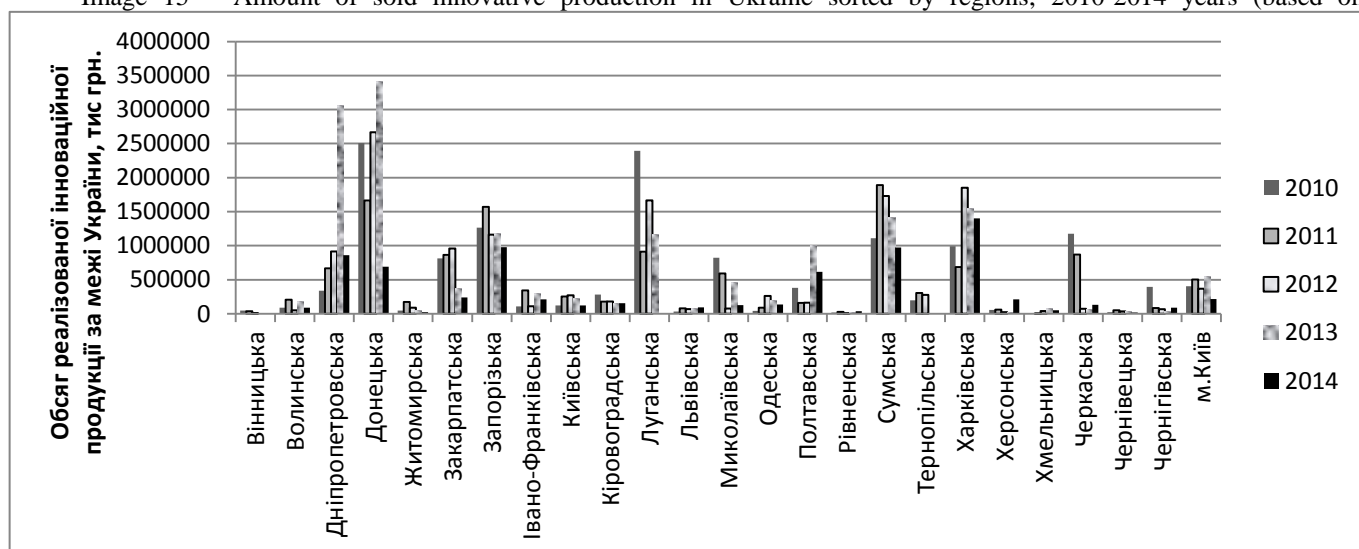


Image 16 – Amount of sold innovation production outside of Ukraine, 2010-2014 years (based on [1-4])

6. *Created image* – an image, a role, reputation, type, forecasted expectations etc. The image characterizes accumulation of various cultural and historical values, since it involves visual and verbal components and gives a better impression. The image of the region shows its economic forth, power, wealth, the level of culture. It is an indicator of local and regional government authority and success at the regional and local level.

This component will be analysed in base of the study report on the competitiveness of regions of Ukraine for 2010-2013 years, which was published by fund "Effective Management" supported by the World Economic Forum (Image 17).



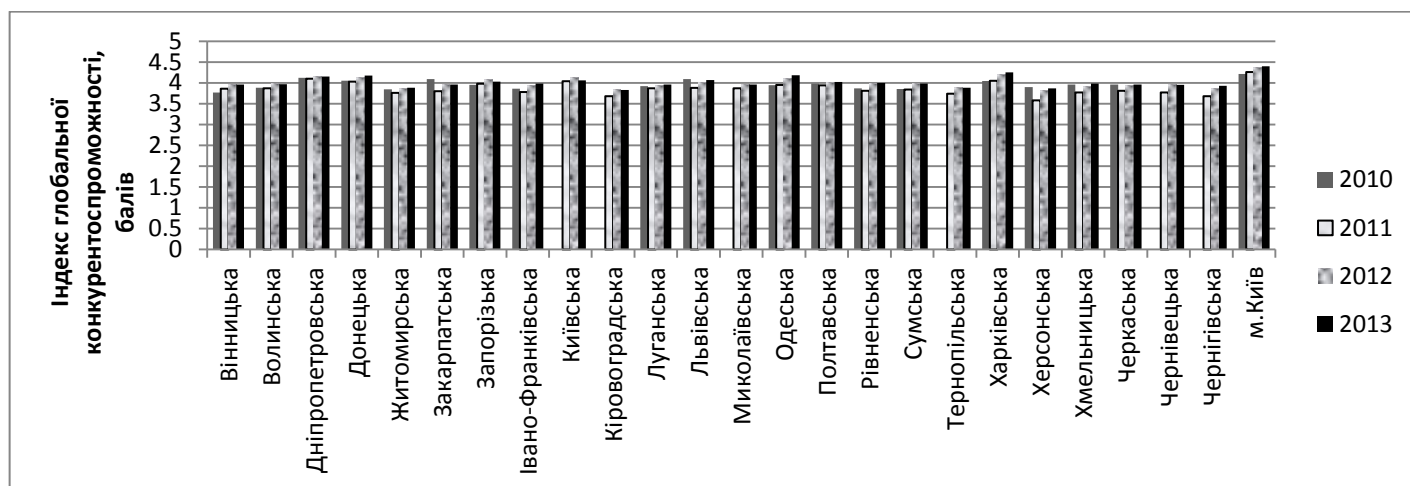


Image 17 – The global competitiveness index of Ukrainian regions, 2010-2013 years (based on [5-8])

So, analysing our data by years, let's define the permanent leaders by every marketing resources' part of innovation aimed industrial enterprises:

1) *the scientific and methodological base*

- the number of executed scientific and scientific-technical works – c. Kyiv, Kharkiv, Donetsk, Dnipro, Odesa, Luhansk, Lviv and Sumy regions;

- the number of implemented scientific and scientific-technical works sorted by the regions, 2010-2014 years, – c. Kyiv, Kharkiv, Donetsk, Dnipro, Odesa, Luhansk, Lviv and Sumy regions;

- the number of published works – c. Kyiv, Kharkiv, Dnipro, Lviv, Odesa and Donetsk regions;

- international cooperation between scientific organizations – c. Kyiv, Kharkiv, Lviv, Dnipro, Odesa and Donetsk regions;

2) *special software:*

- industrial enterprises that spent costs on buying cars, equipment and software – Kharkiv and Zaporizhzhia regions, c. Kyiv, Mykolaiv, Lviv and Odesa regions;

3) *The base of existing/potential customers and business partners:*

- The number of industrial enterprises that implemented marketing innovations – c. Kyiv, Kharkiv, Ivano-Frankivsk, Zaporizhzhia, Lviv, Zhytomyr, Mykolaiv and Khmelnytskyi regions;

- The number of industrial enterprises that implemented organisational innovations – c. Kyiv, Zaporizhzhia, Kharkiv, Mykolaiv, Ivano-Frankivsk and Khmelnytskyi regions;

- The number of industrial enterprises that implemented innovational processes - c. Kyiv, Zaporizhzhia, Kharkiv, Mykolaiv, Ivano-Frankivsk and Khmelnytskyi regions;

- The number of industrial enterprises that implemented innovational types of products – Kharkiv region, c. Kyiv, Lviv, Zaporizhzhia, Donetsk regions;

- the number of implemented new technologies at industrial enterprises – Kharkiv and Zaporizhzhia regions, c. Kyiv, Sumy, Kherson and Ternopil regions;

- the number of implemented innovative types of products at industrial enterprises – c. Kyiv, Zaporizhzhia, Kharkiv and Sumy regions;

4) *the market position:*

- The number of enterprises that sold industrial products – c. Kyiv, Kharkiv, Dnipro, Donetsk and Lviv regions;

- The number of enterprises that sold innovative production in Ukraine – c. Kyiv, Kharkiv, Ivano-Frankivsk, Lviv, Donetsk, Zaporizhzhia, Cherkasy, Dnipro, Khmelnytskyi and Odesa regions;

- The number of enterprises that sold innovative production outside Ukraine - c. Kyiv, Kharkiv, Zaporizhzhia, Donetsk, Dnipro, Lviv, Cherkasy, Sumy and Ivano-Frankivsk regions;

- Amount of sold innovational production in Ukraine – Poltava, Donetsk, Luhansk, Kharkiv, Sumy, Zaporizhzhia regions and c. Kyiv;

- Amount of sold innovation production outside of Ukraine – Donetsk, Luhansk, Sumy, Kharkiv and Poltava regions;

5) *created image:*

- The global competitiveness index of Ukrainian regions – all the regions have almost the same results. But there is a bit higher level in c. Kyiv, Kharkiv, Dnipro, Donetsk regions.

We suggest calculating an integrated assessment of marketing resources based on calculation arithmetic mean values for the analysed years of relevant indicators (Table 1).

Table 1 – The average value of marketing resources indicators in Ukrainian regions by years \*

Indicator	Vinnitska	Volynska	Dnipropetrovska	Donetska	Zhytomyrska	Zakarpatska	Zaporizka	Ivano-Frankivska	Kyivska	Kirovohradska	Luhanska	Lvivska	Mykolaivska	Odeska	Poltavska	Rivnenska	Sumska	Ternopil'ska	Kharkivska	Khersonska	Khmelnytska	Cherkaska	Chernivetska	Chernihivska	Kyiv
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26
the number of executed scientific and scientific-technical works, units	470	123	2517	3482	148	155	995	754	662	527	1469	1866	781	2456	760	194	1280	174	8431	275	100	515	295	533	19711
the number of implemented scientific and scientific-technical works, units	279	58	1800	2710	70	58	778	483	336	462	1166	983	447	1937	517	127	881	97	6341	123	63	446	109	71	13470
the number of published works, units	7426	5427	23903	22740	3443	2508	9479	7476	2095	2680	11413	22610	5712	16412	9886	3401	8219	7351	53573	3481	5011	5918	8215	4324	96940
international cooperation between scientific organizations, units	48	75	227	340	49	85	140	84	51	22	120	532	61	317	67	35	83	82	836	34	141	101	93	62	1948
Industrial enterprises that spent costs on buying cars, equipment and software, units	31	15	50	41	28	10	64	47	32	24	30	76	60	51	19	19	26	23	117	33	34	16	24	27	83
The number of industrial enterprises that implemented marketing innovations, units	4	2	3	6	10	2	15	16	3	4	3	12	9	8	4	3	3	5	17	2	8	5	5	2	24
The number of industrial enterprises that implemented organisational innovations, units	4	1	4	4	5	2	14	10	2	7	6	8	10	4	3	2	4	3	17	1	9	3	4	2	24
The number of industrial enterprises that implemented innovative processes, units	18	13	28	33	25	5	34	23	15	16	26	44	18	20	11	18	12	13	125	8	29	14	7	9	67
The number of industrial enterprises that implemented innovative types of products, units	22	7	35	34	15	8	41	40	27	18	17	40	22	24	18	10	24	18	60	19	21	24	11	16	76
Implementation of new technologies at industrial enterprises, units	32	17	74	58	31	5	242	29	27	25	34	51	29	31	22	12	104	69	635	87	31	33	9	20	266



Cont. Table 1

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26
Implementation of innovative types of products at industrial enterprises, units	75	30	141	150	29	14	437	146	100	55	38	119	94	86	72	15	273	94	255	124	28	69	42	120	492
The number of enterprises that sold industrial products, units	292	234	741	694	339	228	413	430	505	266	433	750	366	383	379	263	232	223	790	210	342	319	202	224	563
The number of enterprises that sold innovative production in Ukraine, units	32	15	45	52	28	15	52	64	38	29	29	62	32	38	25	24	33	28	90	23	41	42	18	22	97
The number of enterprises that sold innovative production outside Ukraine, units	8	6	18	19	8	8	21	14	12	9	7	19	8	14	11	7	15	7	37	8	9	17	6	10	33
Amount of sold innovative production in Ukraine, thousands of UAH	433094	316481	1805473	4164951	498388	1010209	1868398	988654	757423	483199	2700085	614099	678049	654700	7974657	107187	2127356	305444	2252483	509219	222312	858121	129162	359156	2531844
Amount of sold innovation production outside of Ukraine, thousands of UAH	21656	122563	1168713	2187046	74850	647220	1229124	211715	198018	187233	1226946	69650	414634	145401	463918	22304	1423097	160232	1294986	73402	34171	462652	31332	133903	406931
The global competitiveness index of Ukrainian regions, points	3,89	3,93	4,13	4,10	3,84	3,95	4,01	3,89	4,07	3,78	3,92	4,01	3,93	4,04	3,99	3,92	3,91	3,83	4,13	3,79	3,91	3,92	3,89	3,83	4,31

\* cells with bold border contain the best value in region, filled cells contain the worst one.

Developed by authors.

Thereby, marketing resources' analysis of the Ukrainian regions with proposed by us structure showed that there is the best provision in c. Kyiv and Kharkiv region, because almost all obtained indicators' (with the same weight) values are the largest: 10 and 5 out of 17 indicators; and the worst – Zakarpatska and Volynska (7 and 6 out of 17 indicators).

Considering that Sumy region does not have the worst value at any indicators, and is presented among the leaders in individual indicators of scientific and methodological framework, existing/potential customers and business partners, market position; we may asses that the region has the resources to ensure its attractiveness and competitiveness of marketing, further development and implementation of creative approaches to marketing management.

1. Scientific and innovational activity in Ukraine [Електронний ресурс] / State Statistic Service of Ukraine 2011. – Available at: [https://ukrstat.org/uk/druk/publicat/Arhiv\\_u/16/Arch\\_nay\\_zb.htm](https://ukrstat.org/uk/druk/publicat/Arhiv_u/16/Arch_nay_zb.htm).
2. Scientific and innovational activity in Ukraine [Електронний ресурс] / State Statistic Service of Ukraine, 2012. – Available at: [https://ukrstat.org/uk/druk/publicat/Arhiv\\_u/16/Arch\\_nay\\_zb.htm](https://ukrstat.org/uk/druk/publicat/Arhiv_u/16/Arch_nay_zb.htm).
3. Scientific and innovational activity in Ukraine [Електронний ресурс] / State Statistic Service of Ukraine, 2013. – Available at: [https://ukrstat.org/uk/druk/publicat/Arhiv\\_u/16/Arch\\_nay\\_zb.htm](https://ukrstat.org/uk/druk/publicat/Arhiv_u/16/Arch_nay_zb.htm).
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5. Evaluation of regional competitiveness of Ukraine (according to a report on the competitiveness of regions of Ukraine, 2010) [Електронний ресурс]. – Available at: [http://www.feg.org.ua/uploadfiles/ckfinder/files/reports/2010/Competitiveness\\_report\\_2010\\_ru.pdf](http://www.feg.org.ua/uploadfiles/ckfinder/files/reports/2010/Competitiveness_report_2010_ru.pdf).
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7. Evaluation of regional competitiveness Ukraine (according to a report on the competitiveness of regions of Ukraine 2012) [Електронний ресурс]. – Available at: [http://www.feg.org.ua/uploadfiles/ckfinder/files/reports/2012/FEG\\_report\\_2012\\_rus.pdf](http://www.feg.org.ua/uploadfiles/ckfinder/files/reports/2012/FEG_report_2012_rus.pdf).
8. Evaluation of regional competitiveness Ukraine (according to a report on the competitiveness of regions of Ukraine 2013) [Електронний ресурс]. – Available at: [http://www.feg.org.ua/uploadfiles/ckfinder/files/reports/2013/FEG\\_report\\_2013\\_body\\_rus.pdf](http://www.feg.org.ua/uploadfiles/ckfinder/files/reports/2013/FEG_report_2013_body_rus.pdf).

*Bilovodska, O. Analyze of marketing resources of a region – the base for creation reasonable distribution policy of innovations at industrial enterprises / O. Bilovodska // Illiashenko, S.M., Strielkowski, W. (eds.). Managing economic growth: marketing, management, and innovations. 1st edition, Prague Institute for Qualification Enhancement: Prague, 2016. –P. 192-208.*