

MARKETING LOGISTICS AS A FACTOR OF STRATEGIC DEVELOPMENT OF BUSINESS STRUCTURES

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ABSTRACT

The article deals with the justification of marketing logistics as a factor in the development of business structures. It is established that autonomous functions of marketing and logistics are being transformed into the integrated function of marketing logistics which should be considered as a factor of strategic development of business structures. Since marketing logistics has a coordinating aspect in relation to all actions that are in any way connected to serving customers, the implementation of marketing logistic principles into the business practice and the formation of the system presupposes the existence of an extensive digital system without which a business cannot be managed efficiently. It is determined that measuring the results of logistic management is a prerequisite for achieving the goals of the logistical system as feedback is necessary for efficient management. It is proven that an efficient logistical system can create positive support for a business structure in the attraction and implementation of the most productive distribution channels and the choice of the most efficient suppliers. It is established that if the manufacturer cannot supply the required product on time, in the requested amount and of proper quality, then the members of the distribution channels can cease the relationship with the manufacturer or stop the active promotion of the manufacturer's products.

Keywords: Marketing Logistics, Competitiveness, Business Structure, Efficiency, Market, Product, Demand, Production.

INTRODUCTION AND LITERATURE REVIEW

Currently, the traditional concept of marketing and logistics is undergoing significant changes. An excess of supply over demand is becoming the norm, so a company's competitiveness depends not only on what the company does but also on how efficiently the company manages its business processes and how these processes meet the needs of the market. These components are as important as the quality and price of the product.

At the same time, the question arises about finding new solutions not in the framework of marketing and logistics but rather in the areas of their intersection. It is in this area that a

systemic synergistic effect can be achieved. The relevance of the problem lies in conducting research to substantiate the feasibility of introducing marketing logistics into business structures in a competitive environment and market economy.

Therefore, the implementation of marketing logistics into the enterprise management system, the determination of its place can act as a factor in the strategic development of entrepreneurship in modern conditions. To achieve the goal, one must determine the influence of environmental factors on the efficiency of marketing logistics and establish the organizational aspects in the process of introducing a marketing logistics system.

The literature review was carried out according to the systematic review process defined by Centobelli et al. (2021); Almahry et al. (2018) and Melo et al. (2020), well-known in the field of literature reviews concerning managerial topics.

The aspects of the functioning of marketing logistics have been described in the works by Akopova (2016); Al-Ababneh et al. (2019); Garasym et al. (2015); Grishchenko et al. (2016); Knemeyer et al. (2003); Krykavskyy & Pokhylchenko (2014); Nechaeva et al. (2016); Urban (2002); Velychko et al. (2019); Vorotnikov et al. (2017) and others. However, despite the wide range of academic problems under consideration and the extensive research, certain issues of organizational and economic support for the functioning of marketing logistics at enterprises remained unresolved.

The purpose of the article is to develop approaches to marketing logistics in the framework of the strategic development of entrepreneurial structures.

METHODOLOGY

The theoretical and methodological framework of the study includes the abstract-logical method, methods of induction, deduction, analysis, synthesis and systematization to substantiate approaches to the formation of a marketing logistics system in the system of strategic development of entrepreneurship; the graphic method to study the level and parameters of the development of marketing logistics in modern conditions.

The information basis of the study is statistical data from state bodies, legislative and regulatory documents regulating the functioning of the marketing logistics system, approaches to regulating the system of interaction between business structures within the framework of building marketing logistics flows, and the results of scientific research (Blokhina et al., 2018; Kosevich et al., 2016; Morkovkin et al., 2020a; Novolodskaya et al., 2018; Zavalko et al., 2017).

In the study, we plan to substantiate the feasibility of introducing marketing logistics into business structures to identify competitive opportunities and select strategic benchmarks for market activity, determine the formalization of the development strategy of business entities, considering the use of marketing logistics tools in modern conditions.

RESULTS AND DISCUSSION

Practice has shown that the following trends are inherent in the modern business environment: a gradual transition from the seller's market, with the typical manufacturer's dictate and a narrow range of choices for the consumer, to the buyer's market; more detailed marketing research in terms of the specific features of the demand and needs of buyers, purchasing motives; transition from price competition to competition in which communications, PR, advertising are more involved, and where the importance of information is increasing; active use of the strategy

of pushing the product through the individualization of marketing programs to attract consumers to the product instead of aggressively imposing the product on customers.

Moreover, the following principles are carried out in the business environment: the use of multiple vectors in the implementation of marketing programs, that is, there are ample opportunities for vertical and horizontal integration; active use of strategic programs for diversifying the activities of enterprises, expanding the range, product and brand variety; fast change of generations of products, their design, appearance, structural features, materials used; vast development of intermediary structures: trade agents, brokerage firms, dealers, purchasing firms; active sales promotion: use of preferential prices for buyers, mailing of samples, catalogs, internet marketing; active development of the market for complex services.

In this competitive environment, business processes that ensure that demand is met more flexibly and reliably are essential to market success. Therefore, for developed market relations, the processes of integration of marketing and logistics which form the interaction of two management concepts become relevant. In this context, the interaction of marketing as a market-oriented management concept and logistics as a flow-oriented management concept creates opportunities to increase the material and informational usefulness and value of the product assessed by the buyer or client (Figure 1).

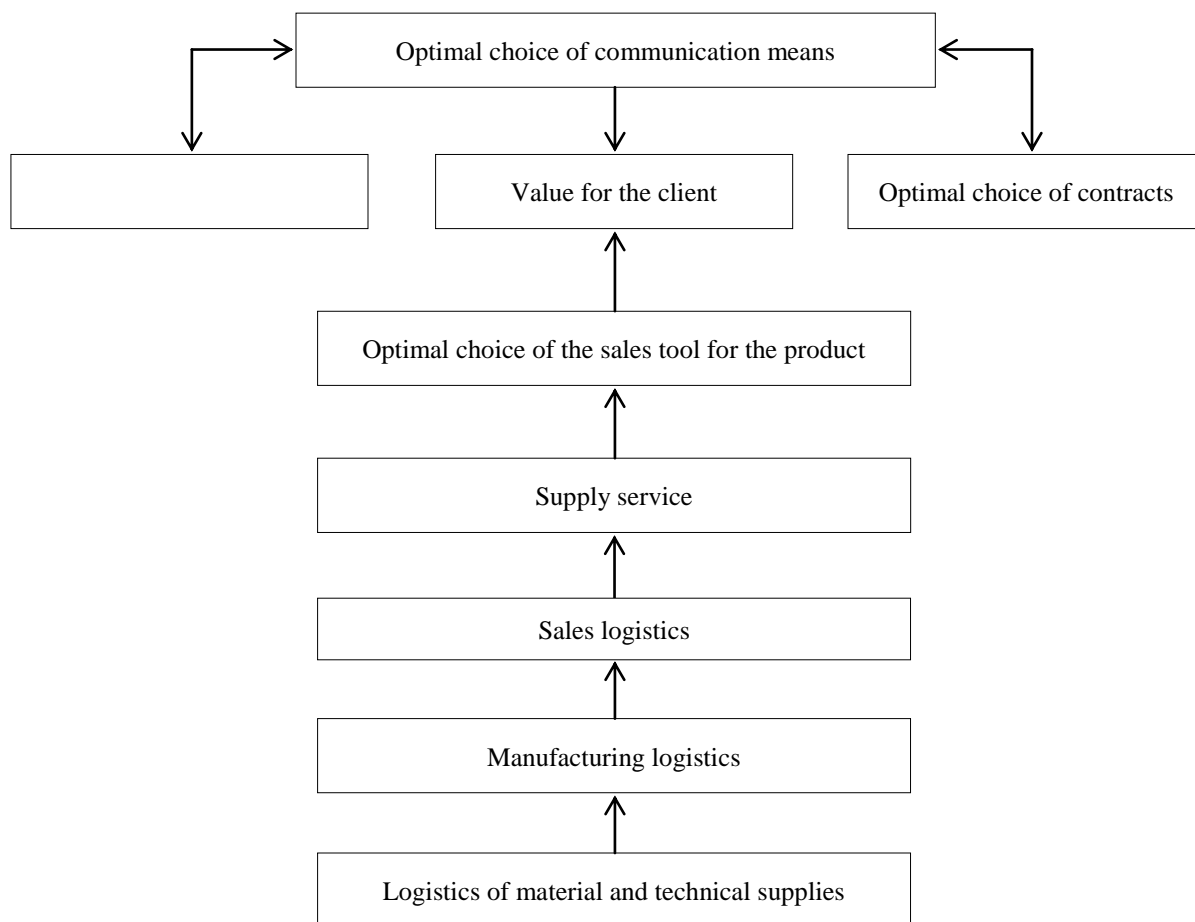


FIGURE 1
MARKETING AND LOGISTICS AS VALUE INDICATORS FOR THE CONSUMER

Thus, it is important to understand that the company's key areas of business – customer value, brand and supply chain – need to be strategically connected. Furthermore, the area of demand creation (marketing) and the area of demand satisfaction (logistics) should not be considered separate functions. These functions can be linked through a supply chain management system. As a result, value will be delivered to the consumer in the most efficient way.

This integration creates the basis for the identification of the so-called marketing logistics in the overall structure of logistics, which provides the buyer with ample opportunities to manage products. In this case, marketing logistics is a system that is aimed at the most optimal satisfaction of customer needs for achieving sustainable competitive advantages through the integration, optimization and rationalization of logistics flows, which include material, financial and information flows.

At the same time, marketing logistics is implemented based on a systematic approach to using marketing and logistics in business activities and provides for the active use of modern digital technologies. The main goal of marketing logistics is complete, timely and high-quality satisfaction of customers' effective demand at a minimum cost. Meanwhile, the integration of marketing and logistics functions will inevitably lead to the unification of all economically and technologically related structural divisions at both the micro and macro levels. The internal integration processes will be carried out at the micro-level and the supply chain will be transformed at the macro level.

However, the maximum effect from the implementation of marketing and logistics activities can be achieved only in the process of integrating logistics and marketing. This integration of concepts will allow combining marketing and logistics efforts aimed at achieving common strategic and operational goals of the company into a single management structure, that is, marketing logistics. This structure will ensure the unity of planning, implementation and control of the physical movement of materials and the corresponding provisions of information from the place of their production to the place of their consumption to meet the needs of consumers and get more profit.

Naturally, the concept of marketing logistics is essential for a modern entrepreneurial structure, since marketing logistics ensures the unity and consistency of the actions of all functional units, orienting them towards the comprehensive satisfaction of customer needs (Gibadullin et al., 2020; Kurbonzoda et al., 2020; Markova et al., 2018; Repnikova et al., 2019; Yurieva et al., 2020). It should also be noted that the employees of the functional units of the entrepreneurial structure should actively participate in the development of the concept. This not only increases the degree of their motivation for coordinated work but also improves the content of the concept itself through the introduction of new ideas.

We believe that the introduction of the concept of marketing logistics leads to an increase in the efficiency of the business structure. The main results are the following:

1. More accurate distribution and control of the stock lead to increased sales and improved customer service in terms of product availability.
2. A marketing logistics system that can quickly respond to changes in the market situation, including changes in consumer requirements, can provide a reduction in the customer service cycle, that is, the time between the application and delivery of products and, therefore, reduce the consumer's stock. This gives the supplier a significant advantage over the competition for the market share.
3. The marketing logistics system helps to strengthen and consolidate the supplier's relationship with consumers.

4. The development of more efficient methods of physical distribution ensures significant cost savings that can be extended to the consumer in the form of discounts on payment for product delivery.
5. Implementation of an efficient marketing logistics system enables the company to compete more successfully and profitably in remote markets.

In general, the main object of logistics is an end-to-end material flow. However, considering the flow in separate areas of the production process, one can distinguish several functional areas in which the management of this flow has different features. These are purchasing, manufacturing, distribution, transport and information areas. Also, one should not deny the importance of marketing for the successful operation of entrepreneurial structures in market conditions.

Forming complete and reliable information about the market, marketing orients all divisions of entrepreneurial structures to efficiently fulfill the tasks assigned to them to achieve competitive advantages in the short-term (tactical marketing) and long-term (strategic marketing) (Gryshchenko et al., 2020; Konovalova et al., 2020; Morkovkin et al., 2020b; Nikiforov et al., 2018; Talgatovna et al., 2017). Consequently, marketing as the first, initial stage of a company's market activity sets benchmarks for its subsequent stages, including the logistics stage.

Studies show that ensuring the competitiveness of entrepreneurial structures can be achieved only through efficient satisfaction of customer needs, that is, in the case of efficient marketing activities and the genesis of marketing logistics (Table 1).

Attributive complex	Marketing	Logistics	Marketing logistics
Goal-setting	Maximum profitability	Minimum total costs	Optimizing the exchange
Applied content	Changing the demand	Meeting the demand	Forming the demand
Management object	Target market	Economic flow	Commodity circulation
Management type	Market-based	Systemic	Mixed
Organizational form	Marketing system	Logistics system	Integrated system

At the same time, marketing logistics is characterized by the following parameters:

- target orientation towards optimization of commodity exchange based on the market orientation of production and optimization of economic flows of entrepreneurial structures;
- active formation of demand for goods and services through the development and implementation of marketing plans as well as the development of a logistics service system;
- the object transformation of the target market in marketing and the economic flow in logistics into an integrated commodity circulation as the main object of marketing and logistics efforts;
- organization of predominantly mixed management combining market-oriented production and systemic organization of economic flows of business structures;
- the creation of an integrated marketing logistics system that combines the advantages of marketing management and a micro-logistic system of an entrepreneurial structure.

Moreover, marketing and logistics complexes include the following elements: product, price, location and promotion make up the marketing complex; the required product, quality, quantity, time, place and costs make up the logistics complex. If one combines these elements and adds to them the marketing orientation towards the consumer and the personification of logistics services arising from the marketing orientation, one can get a marketing logistics complex.

Research shows that the focus of economic activity is on the consumer whose individual needs determined the development of a service system which must take into account the following parameters: features of a product of appropriate quality which must be delivered in the required quantity at the right time and to the correct place, when the client, under the influence of promotional measures, will be ready to purchase this product at the seller's price.

Moreover, this personalized service system should be designed in such a way that the costs of its implementation are minimal as a result of the rationalization of economic flows. In these conditions, the concept of marketing logistics is implemented based on a systematic approach to the use of marketing and logistics in economic activities and requires the active use of modern digital technologies. The concept ensures the unity and consistency of the actions in all functional divisions of the business structure, orienting them towards the comprehensive satisfaction of customer needs.

At the same time, employees at functional units of a business entity should actively participate in the development of the concept. This not only enhances the degree of their motivation for coordinated work but also, through the introduction of new ideas, can improve the content of the concept itself. The main structural elements of the concept of marketing logistics should be goals, marketing and logistics strategy as well as the system of marketing logistics. At the same time, marketing sets the task of satisfying consumers, and logistics orients all developed schedules and plans towards ensuring the lowest production costs.

Therefore, the main goal of marketing logistics is complete, timely and high-quality satisfaction of customers' effective demand with a minimum of logistical costs. The concept of marketing logistics imposes strict requirements on the goal-setting process. Thus, each goal should have a qualitative characteristic, a quantitative characteristic and a time interval that is allocated to achieve this goal. An example of a well-formulated goal would be to reduce distribution costs over three years while maintaining the quality of service.

The goals of the logistics strategy can be formulated as follows: 1) the minimum total costs; 2) the maximum level of customer service; 3) short-term profit maximization; 4) maximum advantage over competitors. The maximum level of customer service and the maximum advantage over competitors remain relevant in terms of the marketing logistics system.

To increase the competitiveness of products, replenish with additional circulating funds, influence the production factors of activity in the territorial retail market, better consider the consumers' interests in high-quality and reliable products, improve their image in the territorial retail market, business structures should apply marketing in the production and business activities for their adaptation to market operating conditions (Nikolskaya et al., 2017; Reznikova et al., 2019; Shakhmametev et al., 2018; Min & Mentzer, 2000).

The main parameters of adaptation should be providing consumers with products of appropriate quality; ensuring the joining of new consumers through a policy of demarketing and synchro-marketing; reducing the cost of goods due to the rationalization of production processes; improvement of sales activities considering the requirements of consumers; improving the image of the entrepreneurial structure in the territorial market.

At the same time, the main prerequisites for the marketing adaptation of an entrepreneurial structure are organizational and digital support, which are the basis for conducting a segmented product, price, distribution and communication policy. Studies have shown that the most appropriate for an entrepreneurial structure is the functional-territorial-commodity (mixed) principle of organizing the marketing service which presupposes the

existence of departments specializing in certain functions, some of which must have subdivisions at the local level.

Furthermore, considerable attention should be paid to the close relationship between marketing and logistics, their role in the formation of the usefulness of the product. Under these conditions, based on the analysis of the components of the usefulness of the product, it was established that logistics provided the usefulness of place and time, while marketing ensured the usefulness of ownership, and also that logistics and marketing were linked precisely due to the cost of owning the product. The integration of marketing and logistics makes it possible to consider the main market and cost factors in time, which increases the competitiveness of the enterprise.

In this case, a special role should be given to the principles of interfirm marketing, which is the basis for the partners' interaction in the logistics system from the standpoint of the distribution of functions between them. In view of this, for the introduction of marketing logistics, we propose a model that considers commercial ties, management strategy and logistical operations (Figure 2).

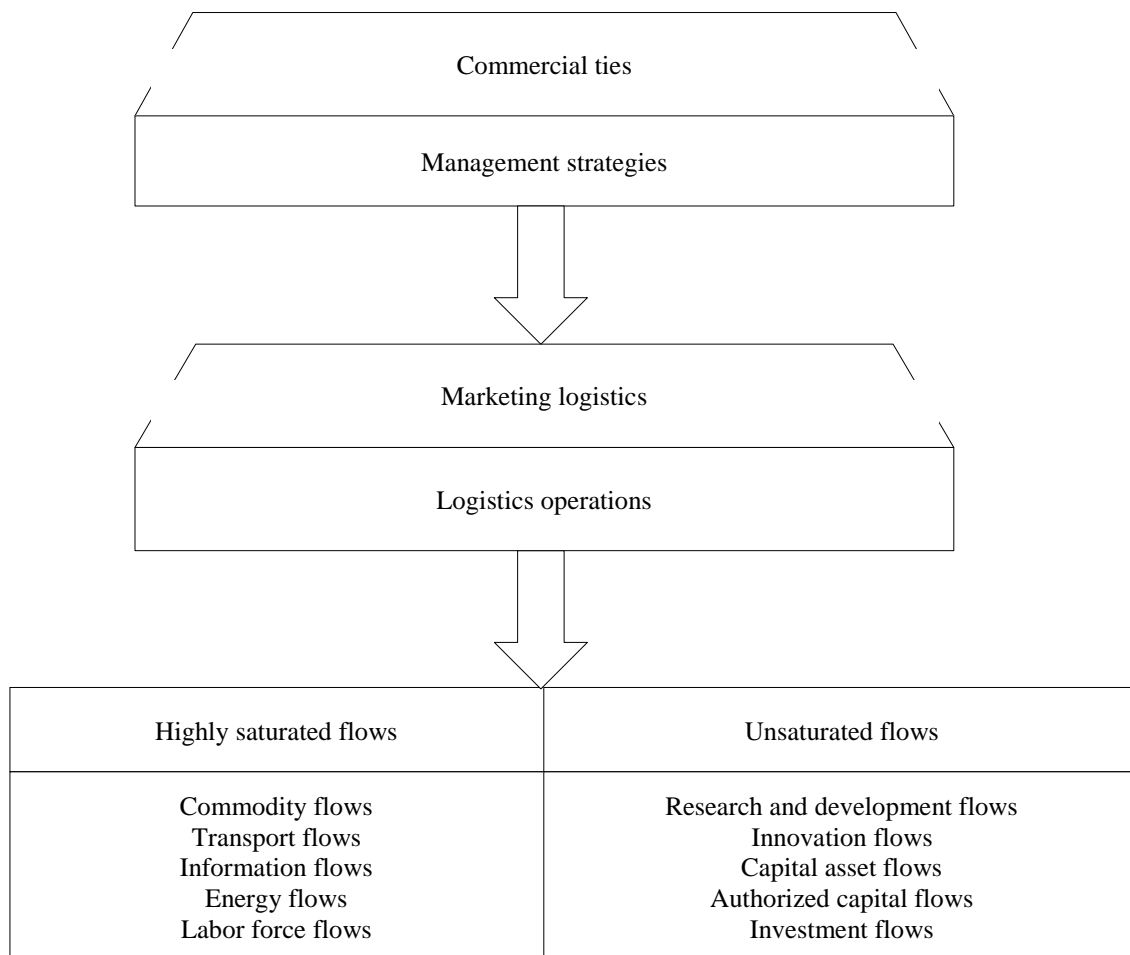


FIGURE 2
MARKETING LOGISTICS MODEL IN THE SYSTEM OF STRATEGIC DEVELOPMENT OF BUSINESS STRUCTURES

It is also proposed to create a marketing logistics service in an entrepreneurial structure, which should include three departments: a logistics department, a marketing department and an operational and analytical department. Moreover, to assess the efficiency of the functioning of the marketing logistics service and the activities of the logistics management staff, it is necessary to control the results of decisions made by the logistics service staff.

To assess the efficiency of the functioning of the marketing logistics service and the work of the logistics management staff, it is necessary to control the results of decisions made by the logistics staff. In this case, measuring the results of logistics management (a quantitative measure of the degree of efficiency in performing logistics operations and functions) is a prerequisite for achieving the goals of the logistics system, since the assessment provides feedback necessary for efficient management.

Therefore, the measurement of the results of the work of the logistics service has two aspects: first, the establishment of a certain system of measures (quantitative and qualitative indicators, criteria, scales of relations and advantages); second, the direct measurement of the result of making managerial decisions. Moreover, the process of measuring the results of logistics management should be performed for logistics analysis daily, once a month (quarter).

CONCLUSION

Summing up, it can be noted that the practical value of our proposals lies in the fact that they ensure the unity and consistency of the actions of all enterprise's functional divisions, orienting them towards the comprehensive satisfaction of customers' needs. Autonomous functions of marketing and logistics are being transformed into the integrated function of marketing logistics.

Since marketing logistics has a coordinating aspect in relation to all actions that are in any way connected to serving customers, the implementation of marketing logistic principles into the business practice and the formation of the system are limited by the need for the existence of an extensive digital system without which a business cannot be managed efficiently. At the same time, measuring the results of logistical management is a prerequisite for achieving the goals of the logistical system as feedback is necessary for efficient management.

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