

**The Ministry of Education and Science of Ukraine  
Ukrainian-American Concordia University  
Management and Business Faculty**

MASTER'S QUALIFICATION WORK

**FORMATION OF MARKETING PROGRAM IN  
INTERNATIONAL BUSINESS**

**(on the basis of PRJSC MMWF «Oskar»)**

Master's student of  
Field of Study 07 – Management  
and Administration  
Speciality 073 – Management  
Specialization – Business Administration

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Kyiv – 2022

## **ABSTRACT**

***Dmytro Tsakhlo, «FORMATION OF THE MARKETING PROGRAM IN INTERNATIONAL BUSINESS (on the basis of PRJSC «MMWF» «Oskar»)***

The marketing program is that universal tool at the enterprise, which allows, on the one hand, during its development, to analyze qualitatively a condition of the external environment of the organization, and on the other hand, is a strategically important plan for the enterprise. Because the marketing program is a strategic recommendation plan concerning industrial-sales, scientific and technical activity of the firm for a certain period, called to provide optimum variant of its future development in view of demands of consumers. This work reveals the essence and concept of a marketing program, analyzes the process of development and implementation of marketing programs to improve the competitiveness of the enterprise, and develops recommendations for the formation of a marketing program in international business.

**Keywords:** marketing program, strategic business plan, business development, international business.

## **АНОТАЦІЯ**

***Цахло Дмитро Андрійович, «Формування маркетингової програми в міжнародному бізнесі (за матеріалами ПРАТ "МЗМВ "ОСКАР")»***

Маркетингова програма є тим універсальним інструментом для підприємства, який дозволяє, з одного боку, під час розробки, якісно проаналізувати стан довкілля організації, і з іншого боку, є стратегічно важливим планом для підприємства, оскільки маркетингова програма - це стратегічний план-рекомендація відносно виробничо-збутової та науково-технічної діяльності фірми на певний період часу, покликаний забезпечити оптимальний варіант її майбутнього розвитку з урахуванням запитів споживачів та відповідно до висунутих цілей та стратегії. Ця робота розкриває сутність та поняття маркетингової програми, аналізує процес розробки та впровадження маркетингових програм з метою підвищення конкурентоспроможності підприємства, розробляє рекомендації щодо формування маркетингової програми у міжнародному бізнесі.

**Ключові слова:** маркетингова програма, стратегічний бізнес-план, розвиток бізнесу, міжнародний бізнес.

## ***АННОТАЦИЯ***

***Цахло Дмитрий Анндреевич, «Формирование маркетинговой программы в международном бизнесе (за материалами ЧАО «МЗМВ» «Оскар»))»***

Маркетинговая программа является тем универсальным инструментом на предприятии, которая позволяет, с одной стороны, при её разработке, качественно проанализировать состояние внешней среды организации, и с другой стороны, является стратегически важным планом для предприятия, так как маркетинговая программа - это стратегический план-рекомендация относительно производственно-сбытовой и научно-технической деятельности фирмы на определенный период времени, призванный обеспечить оптимальный вариант ее будущего развития с учетом запросов потребителей и согласно выдвинутым целям и стратегии. Эта работа раскрывает сущность и понятие маркетинговой программы, анализирует процесс разработки и внедрения маркетинговых программ с целью повышения конкурентоспособности предприятия, разрабатывает рекомендации по формированию маркетинговой программы в международном бизнесе.

**Ключевые слова:** маркетинговая программа, стратегический бизнес-план, развитие бизнеса, международный бизнес.

**PHEE-institute «Ukrainian-American Concordia University»**

**Faculty of management and business**

**Department of international economic relations, business and management**

Educational level: **master degree**

Specialty **073 «Management»**

Educational program **“Business Administration”**

**APPROVED**

**Head of Department**

**Prof. Lubov Zharova**

**“14” September 2021**

**TASK**

**FOR MASTER's QUALIFICATION WORK OF STUDENT**

**Dmytro Tsakhlo**

1. Topic of the master thesis

**“FORMATION OF MARKETING PROGRAM IN INTERNATIONAL BUSINESS (on the basis of PRJSC MMWF “OSKAR”)**

Consultant of the master thesis Dr. Glib Buriak, associate professor

Which approved by Order of University from **14.09.2021 №14-09/2021-6c**

2. Deadline for master thesis submission **“24” December 2021**

3. Data-out to the master thesis: Materials received during the internship and consultations with the representatives of PRJSC MMWF “OSKAR”

4. Contents of the explanatory note (list of issues to be developed)

- To describe the concept of the enterprise marketing program

- To identify the structure of the marketing program of the company

- To investigate the organizational and economic characteristics of the company PRJSC MMWF “OSKAR”

- To specify competitive environment of the enterprise on the Ukrainian market of mineral waters;

- To analyse the problem of the current enterprise marketing program;

- To develop international marketing program of PRJSC MMWF “OSKAR”;

- To evaluate economic efficiency of the developed program.

5. List of graphic material (with exact indication of any mandatory drawings)

Create plan of marketing program for the company, annual media plan of promotions and sales promotion; volumes of company sales; key areas of growth opportunities for the company.

6. Consultants for parts of the master thesis

Part of the project	Surname, name, position	Signature, date	
		Given	Accepted
1	Dr. Glib Buriak		
2	Dr. Glib Buriak		
3	Dr. Glib Buriak		

7. Date of issue of the assignment

Time Schedule

No	The title of the parts of the diploma project (work)	Deadlines	Notes
1.	I part of master thesis	22.10.2021	
2.	II part of master thesis	12.11.2021	
3.	III part of master thesis	26.11.2021	
4.	Introduction, conclusions, summary	03.12.2021	
5.	Pre-defense of the thesis	15.12.2021	

Student

(signature)

Consultant

(signature)

**Conclusions:** \_ The study provided meticulous analysis of the current trends in development of cooperation of Ukraine with PJSC MMWF "OSKAR". The master thesis was designed at the appropriate scientific level, it's content and structure fully meet the methodological requirements. In general, if successful defense, the thesis can claim to be "excellent".

Consultant

(signature)

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## INTRODUCTION

Relevance of the topic of the master thesis is that the marketing program is that universal tool at the enterprise, which allows, on the one hand, at its development, to qualitatively analyze the state of the external environment of the organization, and on the other hand, is a strategically important plan for the enterprise, as the marketing program is a strategic plan-recommendancy concerning production, marketing, scientific and technical activity of the firm for a certain period of time, designed to provide the best option for the company.

The marketing program is aimed at implementation of the enterprise's mission, image creation, competitiveness growth, as well as at forming the tasks, the fulfillment of which will lead to the increase of the enterprise's efficiency through the fullest use of its resources. Thus, the marketing program is a whole system, which includes many elements of marketing analysis, and the uses of various marketing tools for its preparation allows more accurately and qualitatively assesses the position of the company on the market and predict further development. The marketing program is not only an element of marketing, but also an element of strategic planning in the organization, which is an important component of management at the highest level, and allows not only to set specific marketing tasks for the organization, but also to organize the activities of the entire enterprise as a whole to improve efficiency, competitiveness and achievement of their tactical and strategic goals by the organization.

The problems of marketing program development often consist in the fact that in organizations of various types there is no understanding of the importance of developing and implementing a marketing program, or there are no specialists in developing such programs.

**Subject** of research - marketing activities of Private Joint Stock Company «Morshin mineral water factory «Oskar»» (PRJSC MMWF «Oskar»).

**The subject** of the research is the process of development and implementation of marketing programs in order to increase the competitiveness of the enterprise.

**The object** of the research - marketing activities of Private Joint Stock Company «Morshin mineral water factory «Oskar»» (PJSC MMWF «Oskar»).

**The aim** of the research is to analyze the marketing activity of the enterprise and develop a marketing program in international business.

In order to achieve the set goal, the following **tasks** must be fulfilled:

- reveal the concept and essence of the marketing program;
- study the transformation of the concept of marketing program in the conditions of globalization;
- give a brief description of PRJSC MMWF «Oskar») activity;
- evaluate the marketing activity of the enterprise;
- substantiate the choice of the marketing program in international business;
- develop recommendations on forming the marketing program in the international business.

The marketing program has been studied by such academics as: Kotler F., Babii I. V., Nesterov A. K., Mushtay V. A., Karpova S. V., Sivoplyas Y. V., Jadan I. M. and many others.

Theoretical and methodological basis of the study served as the works of foreign and domestic authors on statistics, analysis, marketing, management, administration, regulatory documents, periodical press materials and practical data analysis of PRJSC MMWF «Oskar».



## **CHAPTER 1. THEORETICAL ASPECTS OF MARKETING PROGRAM FORMATION IN INTERNATIONAL BUSINESS**

### **1.1. The essence of the concept of the enterprise marketing program**

Complex marketing research creates the basis for decision-making on strategy and program of development of entrepreneurial and sales activity of the firm. Market forecasting, development of strategy and planning of firm's actions in the market taking into account consumers' demands, formation of market demand are the main principles of marketing concept of intra-company management [7, p. 70].

In modern conditions of economic instability, crises, increased competition, companies need to resort to new methods of organizing production, to introduce modern marketing tools, make plans for the marketing department to better define the range of activities of the firm for a long period.

In contrast to other concepts of management it is strategic planning, anticipation of subsequent actions of the firm according to the changing requirements of the market, work to a certain extent on the already known market, development of a set of interrelated measures in the field of product, pricing, sales and promotional policy, taking into account the possible reactions of competitors, etc., represent significant advantages of the marketing approach to the management of production, sales and scientific and technological activity of the firm.

Recently, the problem of the effectiveness of marketing departments has clearly settled. In some enterprises there are no such departments, in others marketing performs only sales functions, while in foreign countries it has long been understood that marketing is a driving force and in most developed countries marketing programs are already being developed and implemented, allowing the manager to make weighted, reasonable and adequate managerial decisions.

A complex study of the market and the study of its own production and sales opportunities allow the firm to determine the most optimal target markets for its work, for which the corresponding marketing programs are developed. The firm's

management has the right to approve or disapprove the content of the program and its conclusions. Programs have indicative, recommendatory character and increase validity and efficiency of entrepreneurial decisions made by the firm

An important tool in the activities of the marketing department is the marketing program. It is necessary, first of all, for effective construction of the activity of the whole company, as well as for implementation of the mission of the enterprise, image creation, and growth of competitiveness as a whole.

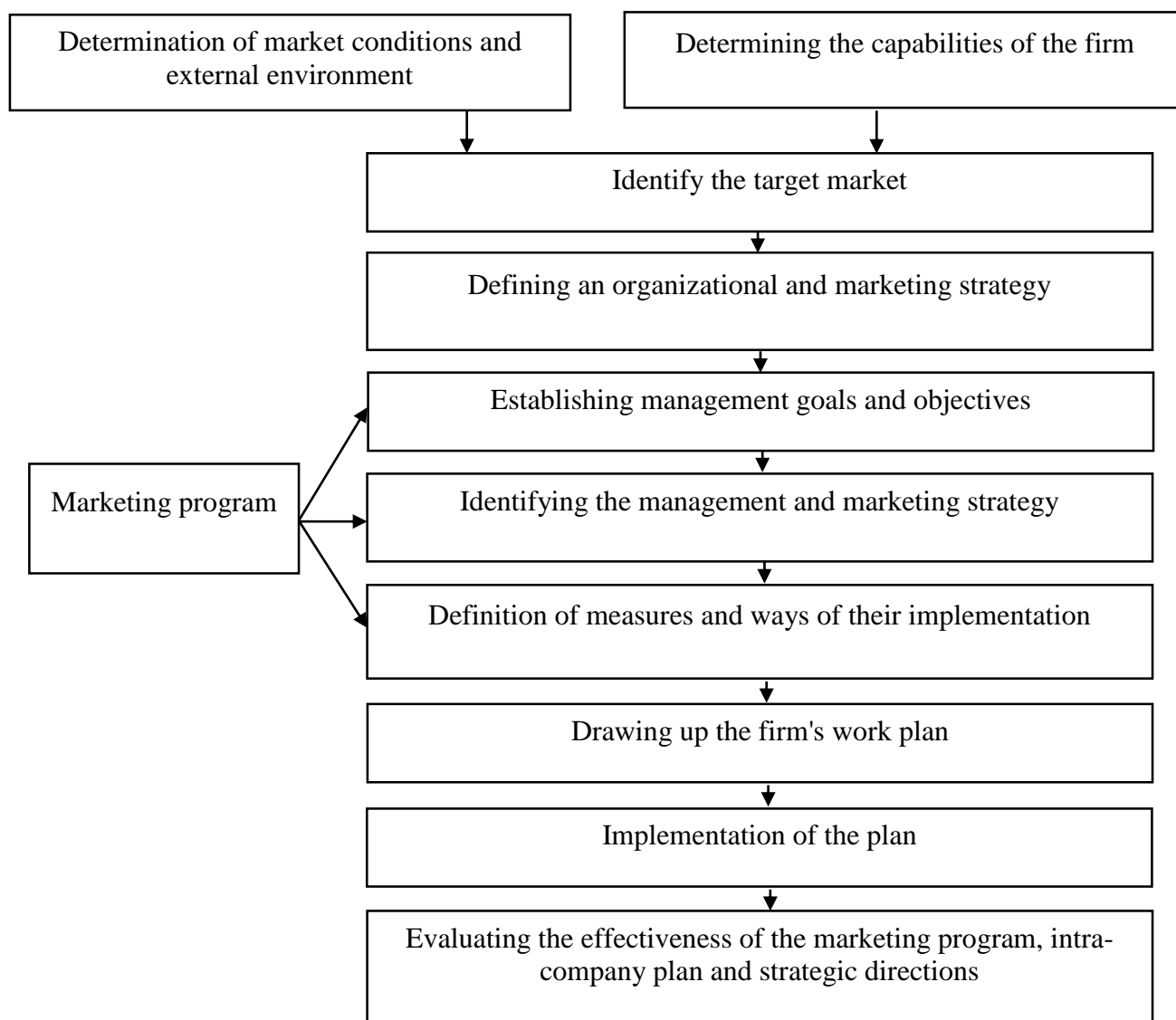
Marketing activity programs (marketing programs) allow for long-term strategic policies, avoiding significant economic and social shocks and achieving stable development and prospective success.

The marketing program is a kind of a crowning work of marketing services of the firm, the main result of their activity. If the top management of the firm agrees with the content of the marketing program and accepts it, then it is a component of the general plan of the firm's work, which has the force of a directive document binding for execution. Naturally, the plan of the company is more extensive than the marketing program and includes such issues as financial and production policy. However, some firms tend to consider the marketing program as a prototype, a basis of the overall plan of the firm, which determines its activity in economic and social spheres.

So, the marketing program is a strategic plan-recommendation developed on the basis of complex marketing researches concerning industrial-sales and scientific-technical activity of the firm for the certain period of time, called to provide optimum variant of its future development taking into account requirements of consumers and according to the put forward purposes and strategy.

In the process of developing marketing programs, multiple conditions, prospects and constraints are taken into account, both in market development and in the intra-firm development, as well as the effect of direct and reverse connections with the market, the need to adapt to changing market demands and actively influence the formation and expansion of market demand [26, p. 93].

The scheme of developing a marketing program of the enterprise is as follows (fig. 1.1):



**Fig. 1.1. Marketing program design, its place in the planning of the development of entrepreneurial activity of the firm**

Source: compiled by the author

The marketing program describes the operational marketing situation, goals of the enterprise, marketing strategies for the current year. The plan includes: program of actions (operational-calendar plan), marketing budget, main events. The annual marketing plan is very detailed, in contrast to strategic planning, i.e. it clearly reflects the composition of products, volume of their production, costs, prices, methods of promotion, forms of after-sales service to consumers, etc. Action program - a detailed program that shows what should be done, who and when should perform the accepted

tasks, how much it will cost, what decisions and actions should be coordinated in order to implement the program marketing research provides the basis for making decisions about the strategy and development program of the firm's activities [4, p. 13].

Marketers, programmers calculate the most expedient variants of such structure of production and sales, which could take into account the requirements of the market to the greatest extent, and to render active influence on formation of new requirements in the market or its separate segments. They proceed from the condition of ensuring long-term, prospective effectiveness of the firm's activity. Thus, the marketing concept brings a new basis under the intra-firm planning and forces to reconsider its existing practice, which previously proceeded from the account of mainly intra-firm conditions of development. [8].

The development of marketing programs and strategic plans that define the path of the firm is carried out in the following sequence:

- determination of the goals and objectives of the company (most often in quantitative terms) and the realistic timeline for achieving them;
- estimation (by analyzing and forecasting market conditions) realistically achievable indicators for the relevant period;
- comparison of performance, desirable for the firm, and indicators, the most realistic from the standpoint of qualified consideration of trends in the development of specific markets and the actions of firms-competitors;
- analysis of the main causes of their difference, and compiling a list of these causes and factors;
- development and analysis of management policy tools that can minimize the emerged difference between the desired and actual levels of growth;
- establishing the order and sequence of the most effective measures to achieve the desired results, as well as suggesting possible alternative measures that can play an important role in the event of unforeseen market conditions or ineffective implementation of the main measures outlined in the program;

- formulation of the main goals of the program, adjusted on a real basis, and listing specific measures of management policy, in particular the measures of integrated marketing, i.e. the entire marketing program is summarized [13].

Planning in marketing is a continuous process. Marketing research and marketing programs are not carried out and drawn up from time to time and not only in periods when the management of the company feels the need to solve specific problems, but constantly, permanently. Only with continuous planning, it can become effective, efficient and optimal.

The objectives of the marketing program are determined by the goals of the company. It is impossible to carry out strategic planning without clearly defined goals of the company; therefore, the company must always have clearly defined goals. The goals must be separated from the company's objective. The objective of the company, what it is created for and what it exists for, can be defined approximately as follows: to extract as much profit from its activities as possible by reducing production costs, simplifying market relations through reducing the number of intermediaries in the receipt of raw materials and sale of goods. Depending on the time it takes to obtain the expected results, the goals can be divided into short, medium and long term. (Annex C).

In drawing up strategic plans, marketers rely mostly on medium-term goals, constantly changing them in accordance with changes in the market situation and, consequently, with changes in the objectives of the firm. At the same time, the main goal of the company is usually a long-term one and defines other goals that must be implemented to achieve this priority goal. Thus, a kind of a firm's goals tree is created, because in order to achieve the second most important goals, the third level goals must be achieved, and in order to achieve them, the fourth level goals must be achieved etc. [22].

When building a goal tree are guided by three principles:

1. Build over time by selecting the main long-term goal, which requires medium-term goals to be achieved once the short-term goals have achieved positive results.

2. Construction on the functional sign, applicable at division of the company into separate functional divisions when the priority goal for firm defines the purposes of functional divisions.

3. The most productive is the functional-temporal principle, combining the two previous ones [10].

The priority goal and the main goals defined by it should know, understand and correctly interpret all employees of the enterprise.

Let's consider the method of development of the marketing program - concrete actions on realization of the marketing strategy based on the complex of marketing ("4P"). For this purpose, the program has:

- meet the objectives of the target segments;
- reflect the market situation and the position of the firm, which were identified in the analysis process;
- serve the basic needs of customers, to emphasize all the existing excellent benefits and to change the customer's perception of the product.

This is achieved by:

- determining the level of expenses that will allow achieving the intended marketing goals (the marketing budget is defined as a percentage of the planned sales volume);
- making a program for each element of the marketing mix, which are selected for each product of the company.
  - Product: product range, assortment, quality, design, features, trademark, packaging, dimensions, service, warranty, refund.
  - Price: price list, discounts, surcharges, frequency of payments, credit conditions.
  - Distribution Methods or Distribution: Goods channels, market coverage, placement, order management, transportation.
  - Sales Incentive or Promotion: sales promotion, advertising, promotion, public relations, direct marketing, personal sales.

So, when developing a marketing program, the main attention should be paid to the choice, importance and form of marketing tools, their combination into the most optimal from the point of view of a certain purpose complex (marketing mix), as well as the distribution of financial resources within the limits of budgeting marketing.

Main types of marketing program:

1. Programs developed depending on the addressee. Recipient-driven programs. Firms develop a variety of marketing programs. Depending on the addressee, marketing programs can be for the top management and for the lower levels. If programs for top management, as a rule, are short and concise, highlighting only the most important areas of subsequent work, then for the lower levels of the firm they are detailed, detailed and include specific questions, such as how many times per quarter to the salesperson should visit the homes of potential buyers with an offer of this product, etc. Such programs are large folders with detailed schedules and systems of measures.

2. Programs developed depending on the term. Marketing programs differ in the terms for which they are designed. Short-term (one to two years) programs refer to operational planning and do not provide strategic prospects for the firm's work. Medium-term programs are calculated for a period of two to five years. For long-term programs, a time frame is recommended that can be provided with reliable data on trends in the development of all the factors used in making projections (five years or more). Some firms make dual plans, both long-term and short-term. The short-term program is characterized by greater detail and responsiveness, while the long-term one is characterized by the formulation of the main strategic directions. In this case, the short-term program is considered as a part of the long-term one. It specifies long-term tasks and is mobile, allowing for changes and revisions of planned activities.

3. Programs developed depending on the range of tasks covered. Depending on the range of tasks covered, programs are divided into regular and target programs. Regular programs provide a solution to all functions of production and sales activities of the company, and target programs are aimed at the implementation of a separate, special

problem, such as the development of a new product or development of a new market segment, or increasing the effectiveness of the incentive policy of the company, etc.

4. Programs developed depending on the object of compilation. Depending on the object of drawing up marketing programs can be subdivided into programs for the product and programs for the production department. Programs by product provide for the preparation of marketing programs for each type of product manufactured by the firm. They indicate a set of production and economic, organizational and managerial measures in order to ensure high efficiency of production and sales of this commodity and its competitiveness. Marketing programs for the production department are based on the marketing programs for the product and represent the basis for coordination and planning of production and sales actions of the central services of the company's management apparatus.

5. Programs developed depending on the methods of compilation. Depending on methods of drawing up marketing programs can be centralized (rigidly formalized), decentralized (flexible) and mixed (counter). The centralized programs are developed in higher structures of management, the central administrative apparatus, which sets most of the strategic indicators of the program and bring it down to the lower levels for implementation. These programs are more typical for mature markets, well established and clear in terms of the construction of the firm's work in them, as well as the reorientation of the firm to a low-cost production strategy and undifferentiated, mass marketing. Decentralized programs are drawn up in the firm's grassroots units and submitted to the firm's top management for review and approval. The central office of the firm controls only the most global and strategic issues of the grassroots units. These programs are viewed as optimal for independent, new, high-risk markets because the plan can be flexibly adjusted as potentially dangerous market situations arise and if a product group differentiation and business diversification strategy is chosen.

Mixed programs involve the firm's upper management determining the firm's capabilities and its major, overall goals, while the lower management and divisions develop plans and measures to achieve those goals, which are then finally approved by the upper management.



6. Programs developed depending on the timing, labor intensity of development and the general range of issues raised and solved. Depending on terms, labor input of development and a total range of the set and solved questions marketing programs can be simple which can be made within several days or one-two months, and complex which development requires more long terms - up to one and a half years. In order to achieve the planned indicators on profits and profitability of production and sales, the development of a marketing program involves a reasonable choice of "fruitful", optimal target markets to intensify follow-up activities, as well as effective technologies and product ranges.

In addition, it is necessary to take into account the chosen strategies, traditions and specifics of the industries in which enterprises operate.

It should be kept in mind that the specificity of the marketing strategy predetermines the specificity of the program. When developing a program, it is necessary, first of all, to take into account the key factors of commercial success, clearly differentiating the object. Objective external restrictions, which the enterprise cannot influence (prices, consumer characteristics of goods, number of modifications, degree of novelty, etc.), and subjective restrictions, which, on the contrary, can (advertising stimulating the work of sales workers, organization of after-sales services, etc.).

It would be advisable to develop several program options. Each variant of the program should differ from other concrete marketing actions: volume of sales, quantity and structure of additional services, are provided, ways of transportation and delivery of goods, means of advertising, methods of stimulation of sales, etc.. A comparative analysis will make it possible to choose the most effective one.

Thus, marketing planning on the basis of market research has the following advantages: it coordinates the efforts of a large number of structural services, departments and individuals, whose activities are interrelated in the production and marketing cycle in time and space; provides a clear interaction between performers to address the main, priority tasks for the company as a whole; helps to minimize conflicts

arising from incorrect or different understanding and interpretation of the objectives of the firm; makes it possible to.

## **1.2. Structure of the marketing program of the company**

Marketing research is designed to meet the needs of marketing for reliable information and analytical materials. They are necessary when introducing a new product to the market, searching for new markets, studying the activities of competitors, studying consumers, their preferences, loyalty, behavior, motivation, etc. The results of market research allows the management of the organization to choose and comprehensively justify the methods of marketing management, study consumers' needs and preferences, identify and evaluate prospective market products, think through and calculate the effectiveness of means of promotion of goods and possibilities to counteract competitors in the goods market. Marketing research is widespread in foreign countries.

However, in the theoretical plan on a number of methodological and practical questions of marketing researches, connected with their carrying out, in views of scientists there are distinctions that complicates application of their recommendations in practice. In particular, in the special scientific literature the question connected with development of the working program of marketing researches has not received the final permission.

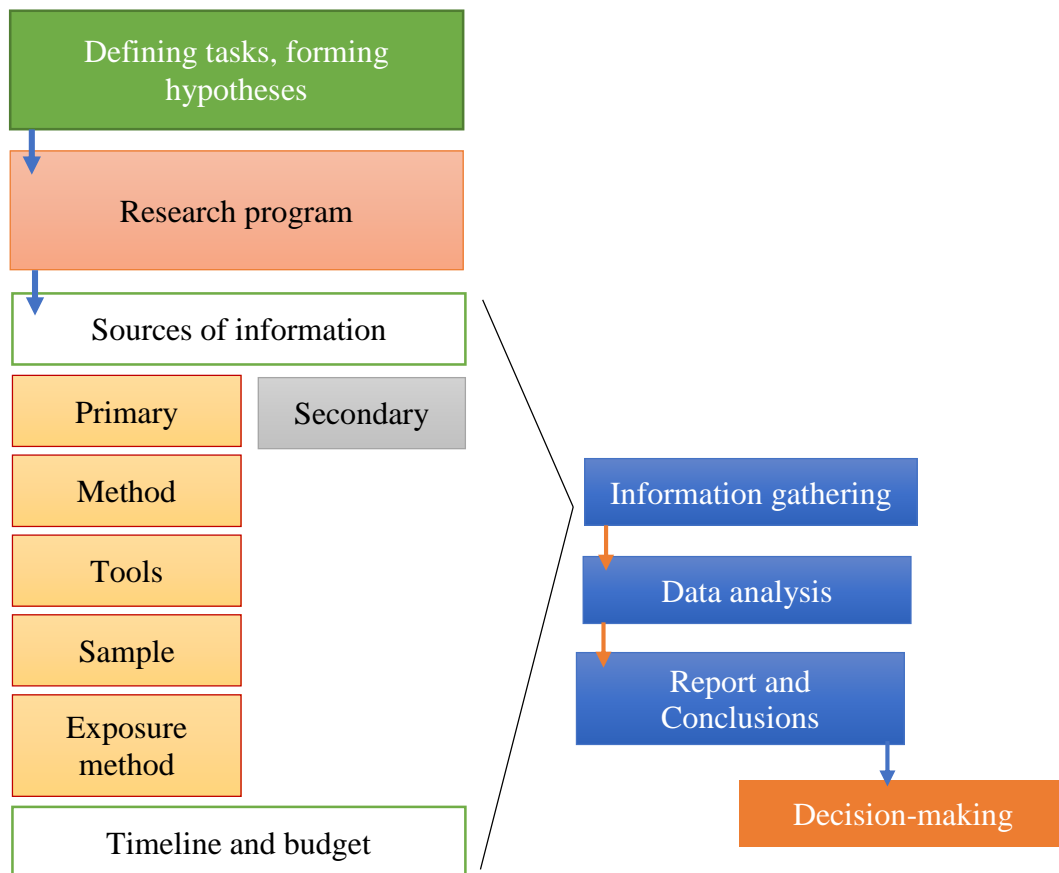
The study of the literature showed that there are several approaches to the program of marketing research and planning of this activity. Within the framework of the first approach, the authors, establishing the sequence of carrying out the research, do not speak at all about the necessity of developing a working program and plan of marketing research. For example, Belyaevsky I.K. writes about a complex model of marketing research and presents the sequence of research as a process of solving three questions: what and why is studied, how is studied, what conclusions are obtained. At the same time the author does not allocate specific stages of research and does not speak at all about the research program as a separate and necessary document [7, p.

25–26]. B. E. Tokarev, considering typical stages of marketing research, also does not mention the need to develop its program, but at the same time he writes about the definition of goals and objectives, the choice of research method, development of tools, etc. [29, p. 24].

A number of authors - representatives of the second approach, allocating and differentiating the stages of research, also do not touch the questions of necessity of development of the research program, but at the same time speak about marketing research as about the planned process, allocating it in a separate stage. Therefore, G. B. Bakanov among offered five stages of marketing research allocates a stage of planning and organization of gathering of primary information [6]. M. I. Sokolova and V. Y. Grechkov believe that marketing research should be conducted in six stages: definition of the problem and research objectives, definition of research objects, development of a research plan, collection of information, analysis of information and presentation of results [27]. They attach great importance to the development of a research plan and point out that this is "the most important stage of the market research process" and this stage determines the type of information required, the sources and methods of obtaining it, the procedure for collecting, processing and analyzing data. N.G. Kameneva, V.A. Polyakov, A.G. Zaitsev, and E.V. Takmakova, who focus on the development of a marketing research plan, hold a similar point of view [12; 14].

The third approach assumes the obligatory development of a program of marketing research. However, it should be noted that there are some discrepancies among the opinions of this group. For example, on the website «Powerbranding - Educational articles and reviews on marketing management in the company» in the material «The perfect plan for marketing research» [13] identified six main stages of any market research: a description of the problem and research objectives, the plan of market research, information collection, data analysis, preparation of the report and conclusions, decision-making (fig. 1.2). Within the second stage (marketing research plan) the following headings are identified: sources of information, research method, research tools, sampling, method of interaction with respondents, terms and budget of work, as well as mentioning the research program.

In general, sharing the above point of view and the views of other authors about the necessity of developing a research program, we believe it necessary to state our own opinion about the significance and structure of the program. To be fair, it should be noted that the opinions of the authors discussed above in the fundamental issues of conducting research agree: it is work related to defining the problem, collecting, analyzing, and presenting the results.



**Fig. 1.2. The marketing research process**

Source: [13]

At the same time, there are differences: some authors talk about the goals of the research, others talk about the tasks, some allocate a separate section to the definition of objects of research, forgetting about the subject, and others include such a stage as decision-making. The latter is quite controversial, since it is a question of conducting research and researchers receive marketing information, not decisions - this is the prerogative of managers. Almost none of the authors cited focuses on information

processing, although this stage is quite significant and time-consuming. Few talk about the need to develop hypotheses.

When developing a marketing program, it is important to remember that marketing is an integrated part of the entire business, not a separate component.

The marketing program includes:

- analysis and forecast of the target market;
- existing problems and difficulties in the firm's work, its competitive advantages and disadvantages (SWOT analysis);
- goals and objectives;
- marketing strategy;
- product policy;
- policy of formation and development of commodity distribution channels (organization of branches, wholesale and retail stores, network of intermediaries for sales of products, warehouse network, etc.);
- pricing policy (determining the level and system of price movement for each modification of the product in the target market);
- demand creation and sales promotion policy (plan of advertising activities);
- marketing program implementation budget, evaluation of its effectiveness and control (the volume and structure of costs for the development of the program and the performance of its tasks, a preliminary assessment of the effectiveness of its implementation, the order and system of organization of control over the implementation of the marketing program, etc.) [32, p. 39-40].

Now let's take a closer look at each section of the marketing program.

Market analysis is the collection of data and its interpretation in order to find out what place in the market the company has or intends to occupy, and to get an idea of the requirements for specific products (services) or the content of marketing programs. Market analysis is based on identifying the size of the market and its segmentation, identifying market structure, existing trends, shares and relationships between structures within and outside the market. There are two directions of analysis: 1)

analysis of company possibilities and 2) analysis of competitors. SWOT analysis and competition analysis are used for that [31, p. 47].

SWOT analysis is used to get a clear assessment of the strengths of an enterprise and the situation on the market. The SWOT analysis can be conducted for an enterprise as a whole, a product line or a specific product. It is an objective reminder of the existing possibilities and limitations of the company, which are important to keep in mind before planning. Opportunities in the market are identified in connection with the formulated premise of a new product or the planned sales of an existing product. For example, are there opportunities in the market for the formation of a new product concept, the most effective distribution channels, a new approach to advertising, a powerful sales promotion idea? These and other opportunities seek to identify in each functional area of marketing. Threats to existing or desirable position of the enterprise in the market are also revealed. They can come from market environment, competitors, due to introduction of new technology, laws, and any other existing or possible problems, which can hinder the achievement of set goals.

SWOT-analysis is the determination of strengths and weaknesses of the enterprise, as well as opportunities and threats emanating from its immediate environment (external environment):

- Strengths – organizational benefits;
- Weaknesses – organizational deficiencies;
- Opportunities – factors of the external environment, the use of which will create advantages for the organization in the market;
- Threats – factors that could potentially worsen the organization's position in the market.

The application of SWOT analysis allows systematizing all available information and making weighted decisions concerning business development. In the course of conducting:

1. Determines the main direction of development of the enterprise;
2. Evaluates the capabilities of the enterprise and the market situation;
3. Sets goals for the company, taking into account its real capabilities.

After the SWOT analysis, the advantages and disadvantages of the enterprise as well as the market situation are clearly presented. It allows choosing the optimal way of development, to avoid dangers and to use the resources available to the enterprise in the most effective way, taking advantage of the opportunities provided by the market at the same time [24, p. 120].

In general, the SWOT analysis comes down to filling in the matrix shown in Table 1.1. The strengths and weaknesses of the enterprise, as well as market opportunities and threats, should be entered into the corresponding cells of the matrix.

Table 1.1

**«SWOT analysis matrix»**

Strengths	Opportunities
Weaknesses	Threats

Source: compiled by the author

For SWOT analysis is used information that is constantly collected and analyzed in the marketing information system (MIS) of the enterprise.

A marketing information system is an algorithm that regularly collects the information needed to make decisions from various external and internal sources, and transmits it to interested parties.

In other words, MIS is a set of rules that determine what information must be collected, with what frequency, in what form, and to whom it must be transmitted.

The marketing information system itself consists of four subsystems:

1. The internal reporting system is responsible for the collection, processing and analysis of internal data;

2. Marketing information analysis system is a one-time analysis of information conducted to achieve a specific goal;

3. The system of monitoring the external environment includes tracking changes in legislation, the economic situation of the country/region and the level of income of citizens, changes in the technology of production of the company's goods, the emergence of new technologies and new competitive products, etc.;

4. Marketing research system includes market research, ordered from a research firm or conducted independently, the results of which will solve a particular problem [28, p. 70].

Four subsystems of MIS, working in a coordinated way, allow covering all processes and events occurring both inside and outside the company. As a rule, in the case of well-functioning MIS, there is no need to collect additional information to conduct a full-fledged SWOT analysis.

Before proceeding directly to goal setting, it is necessary to answer two important questions: first, what group of customers are offered the goods or services produced by the enterprise, and second, what are the differences between the products (services) and the products (services) of competitors. Therefore, it is necessary to consider the issues of segmentation and positioning.

There are three options for any enterprise to operate in the marketplace.

The first option - "mass marketing", when an enterprise offers the same product or service to all consumers, without taking into account some differences in their requirements. Mass marketing is possible when:

- There is a shortage in the market (at least a small one);
- Buyers are price-sensitive and have a low ability to pay.

The main benefits of mass marketing are low production costs, the ability to keep prices low, and low marketing costs. However, this course of action has its dangers - the loss of the market with a sudden change in tastes, fashion, technology, as well as the lack of skills to work with several groups of buyers with different needs. It should be noted that today there are almost no markets where mass marketing can be successfully applied [27, p. 39].

The second option - "concentrated marketing", when an enterprise chooses one group of buyers with similar needs and produces a product or provides a service that



best meets the needs of this group. In this case, the product may not meet the requirements of all other groups of customers.

The third option is "differentiated marketing," when the company focuses on several groups of buyers and adapts its goods/services to the requirements of each group. This model of behavior is reasonable to use in saturated markets, where there is no clear deficit, in conditions of high competition.

A group of consumers with similar needs and responding in a similar way to marketing incentives (advertising, public relations, etc.) is a market segment. In order to apply concentrated or differentiated marketing, the enterprise must first divide the market into segments and choose the most attractive ones among them.

Once the segments have been identified, information must be gathered about the representatives of each segment. After that, we can choose the segment (or segments) that the company is going to work for [41, p. 310].

After segmenting the market and choosing a target segment (or segments), it will be possible to answer the question: who are the buyers of products and services of the enterprise. Next, it is necessary to determine the reason why consumers should buy the products of this enterprise.

Positioning - the actions of an enterprise aimed at creating a certain image of a product or the company itself in the minds of consumers. Positioning is the analysis and consideration of the possibilities of the enterprise, allowing him to choose such characteristics of the goods (services), price and methods of advertising and sales, which would ensure the competitiveness of the goods on the market.

In other words, to discover a distinctive advantage, you need to find a characteristic that:

- is in the product (service)
- is needed for customers;
- is not available in competitor products (services).

After choosing a target segment and determining what can be the basis for positioning, it is possible to move on to the setting of goals of the enterprise.

An enterprise goal is a desired state that can be achieved by the coordinated efforts of all employees within a given period of time. The system of enterprise goals can be represented in the form of a "goal tree".

The top is the main goal of the entire enterprise for the period under consideration (in our case, a year). Then the main goal is decomposed (broken down) into goals of the functional departments of the enterprise - goals of the production department, marketing goals, sales goals, etc. These goals are formulated in such a way as to ensure the achievement of the main goal.

In order for goals not to remain only on paper, they must meet several important requirements:

- goals must be very specific;
- goals must be measurable;
- goals must be achievable in terms of external factors and internal resources;
- the goals must relate to other, more general goals;
- a time frame must be outlined for each goal;
- goals must be flexible.

There are two main methods of formulating goals: authoritarian and expert. When using the authoritarian method of formulating goals, the head of the company sets the goals unilaterally. When using the expert method, the goals are formulated by a group of managers and/or specialists of the company.

After formulating the goals, it is necessary to outline the ways to achieve them. These paths are more commonly referred to as an enterprise development strategy. There are several formal methods of building a marketing strategy. Let us consider the Ansoff method. This method is the usual classification matrix (table. 1.2):

Table 1.2

**Ansoff's matrix**

Product		
	Old	New
New market	Deeper market penetration	Product development
Old Market	Market expansion	Diversification

Source: compiled by the author

Igor Ansoff has developed a simple analytical tool for determining the current position of an organization in the market (sales markets). Ansoff's matrix has four cells in two dimensions - markets and products:

- old products - old markets;
- new products - old markets;
- old products - new markets;
- new products - new markets.

While the concept of "old-new" in relation to the market is understood intuitively, in relation to products it is related to the entry into series (or to the design capacity). The cells of the matrix allocate the percentage of revenue (gross or marginal profit), the average level of risk, and then analyze the current situation. In addition, it is possible to note whether this share is growing or falling (and at what rate). The Ansoff's Matrix makes it possible to draw a number of significant conclusions for the company:

- on the stability of the company on the market;
- on the degree of innovation of the company;
- on the probability of fulfilling the plan;
- on the dynamics of sales markets;
- on the sphere of application of the main efforts;

- on general competence of the company's management, etc.

"Corporate Strategy" begins with an analysis of the three main modes of decision-making- strategic, administrative, and operational- and their interrelationships. There Ansoff also gives the questions that arise in the strategic decision-making process: What are the firm's goals and aspirations? Should the firm seek to diversify, and if so, in what areas and how much? How should the firm develop and expand product positioning in the market?

Ansoff explains that most strategic decisions should be made with the understanding that resources are limited and can be allocated to other needs. Thus, attention to the present problems facing the business will detract from diversification; an excessive tendency to diversify leads to current problems that may be forgotten [21, p. 330].

"Corporate Strategy" has gained worldwide fame, the practical application of the strategic planning methods described in it has led to mixed results. Some corporations have seen a significant development leap and have adopted these methods as a way of life, but in many others strategic planning has turned into a phenomenon called "analysis paralysis" by Ansoff.

The strategy of deeper market penetration is expressed in the expansion of production volumes and offering in the market of a large volume of the same product to a large number of buyers of the same market (segment). Such an increase in volume can be achieved either by suppressing the activity of competitors and taking their market share or by convincing real customers to consume the product in larger volumes than before. As a consequence, an increase in expenditure on expansion of production volumes and advertising. It can be applied to achieve goals focused on increasing sales, revenues and profits at the same prices.

The strategy of product development implies the modification of models of goods already available in the market or the development of a completely new product to meet the previous needs and requirements of people in the traditional market for the firm. Such strategy can be oriented to obtaining income (profit) by the firm due to the formation of new needs or at least other consumer preferences in the familiar market.

The costs of the firm to implement this strategy will be associated with the costs of product development, advertising and promotion to the market.

An expanded market strategy is a system of measures aimed at attracting the attention of new categories of consumers or at creating new distribution channels for the firm's goods. This strategy can be used to achieve the goals of increasing market share or entering new markets. The costs of implementation of this strategy consist of the costs of advertising, creation (development of distribution networks), expansion of production volumes.

The strategy of diversification means the promotion of a new product into new markets. It is a combination of strategies of product development and market expansion. The degree of risk in the implementation of this strategy is the highest.

The following questions need to be answered as part of the product policy:

1. What product or service can the company offer (already offers) to customers?  
What benefits do they get from the use of this product / service?
2. What quality should this product/service be, what characteristics should it have? What level of service should be offered to consumers?
3. How often should the offered goods/services be modified and new goods/services be offered? In what direction should the assortment be developed?
4. Should the brand of the product/service be developed and developed?

The pricing strategy depends primarily on the market goals that your company has set for itself. These could be:

- maximization of market share;
- maximization of profit;
- break-even existence in conditions of fierce competition.

Depending on these goals, a company may choose one of the following pricing strategies:

- "Introduction to the market". A prerequisite for the implementation of this strategy is a low cost of goods, which makes it possible to assign a low price, which, in turn, makes it possible to win a large share of the market;

- "Skimming". The prerequisite for this strategy is high quality or exclusivity, which makes it possible to ask for the maximum price and get the maximum profit;

- "Specialization in a particular segment" is characteristic of small firms (which cannot compete with large enterprises). The goal of the strategy is to achieve a break-even existence.

Thus, first of all, after assessing the capabilities of the enterprise and the product (service), it is necessary to choose one of the three proposed strategies. When developing a sales policy it is necessary to answer the question - whether to sell the goods (services) independently or through intermediaries. This decision depends on many factors: the goals of sales; its planned intensity; resources of the company; features of consumers and their requirements to the points of sale; features of goods (services) and the availability of distribution channels (intermediaries).

Further, if an enterprise decides to sell its goods (services) through intermediaries, it is necessary:

- to determine the length of the channel and the principles of interaction with intermediaries;
- to choose sales outlets that meet certain conditions necessary for the sale of your product.

When determining how to promote products (services), four main factors should be taken into account:

- the size of the target market. If the size of the target market is large enough (many target consumers), it is more appropriate to use advertising (mostly) to promote the product or service;

- the characteristics of the target market. Studying the characteristics of consumers suggests the best way to communicate with them;

- type of product. For the promotion of mass-market goods, as a rule, advertising is used; for the promotion of complex and expensive goods, personal sales are better suited;

- the size of the allocated budget. A set of methods of promotion should be determined in such a way as to use the allocated funds as effectively as possible.

The goals of promotion can be divided into two main areas: stimulating demand and improving the image of the company. Next, a promotion program is developed.

Promotion program is a set of promotional tools used by the firm (advertising, sales promotion, personal sales and public relations) [47, p. 360].

In the market of consumer goods (services) the most effective type of promotion is advertising, then follows sales promotion, personal sales and the formation of public opinion.

It is necessary to distinguish between a research program and a research plan. If the program, due to its conceptual content, is a strategic document, the plan is a tactical document. It is made to determine the organizational parameters, allocate the necessary funds, calculate labor and material resources, and establish methods of control. In essence, a plan is a set of activities, deadlines, responsible performers and the cost of individual parts of the study. Therefore, it is a logical continuation of the research program.

When conducting market research, it is necessary for the researcher to develop a program as a separate document. It is connected with the following circumstances. The program of marketing research is a scientific document by means of which research activity is organized and directed in a certain sequence, its directions are outlined. The program is a statement of the general concept of the research project. The results of the study largely depend on the scientific validity of this document. It should contain a multifaceted scientific support of methodological approaches and methodical techniques of research of this or that phenomenon or process. Only substantiated program of marketing research, including all its sections, can be a guarantee of its implementation at a decent level, a working mechanism of marketing search, a strategic document, the purpose of which is to describe the problem, outline the concept of future research, present its general scheme, methods and procedures of information collection, processing and analysis.

### **1.3. The marketing program of the enterprise in the conditions of entering a foreign market**

International marketing is part of the functions that the company performs within the Foreign Economic Activity. At the same time, it represents an independent branch of enterprise activity when entering foreign markets. International marketing can be defined as a system of planning, implementation, control and analysis of activities aimed at multinational market environment and adaptation to its conditions of the enterprise, carrying out its activities in more than one country. The use of international marketing in the management of foreign trade primarily requires its planning, the development of a strategic marketing program. It is important to note that the strategic marketing program forms the basis of the overall strategic plan of the company in the field of FEA. The market situation is constantly changing, so a firm should always have a strategic marketing program for the next 3-5 years.

And so, before deciding to enter the world market, the enterprise must learn a lot to thoroughly understand the peculiarities of internal and external environment.

An important place in the system of international marketing is the study of foreign markets, which, as a rule, is understood as a process of searching, collection, processing and analysis of data.

The main purpose of market research is to reduce uncertainty and risk in making commercial decisions. Marketing research conducted in foreign markets usually consists of two large blocks: research of markets and research of potential opportunities of an enterprise.

For successful realization of the set tasks the enterprise should develop various marketing strategies: coverage of markets and market segments, competitive strategies, entering new markets, entering markets with new goods, target strategies, market demand, product policy, etc. Their content largely depends on the overall strategy of the enterprise, including in the field of FEA.

The use of the principles and methods of marketing acquires special relevance in foreign economic activity. The decisions made by the enterprise in this area can have



strategic and operational character. The most important, determining all-further actions of the enterprise include decisions on participation in this or that form in the international division of labor, on a choice of markets and ways of penetration on them, on strategies of market behavior of the enterprise in the chosen markets [15, p. 217].

There are no fundamental differences between domestic marketing (when operating in the national (domestic) market - home marketing) and international marketing. In both cases, the same principles of marketing activity are used.

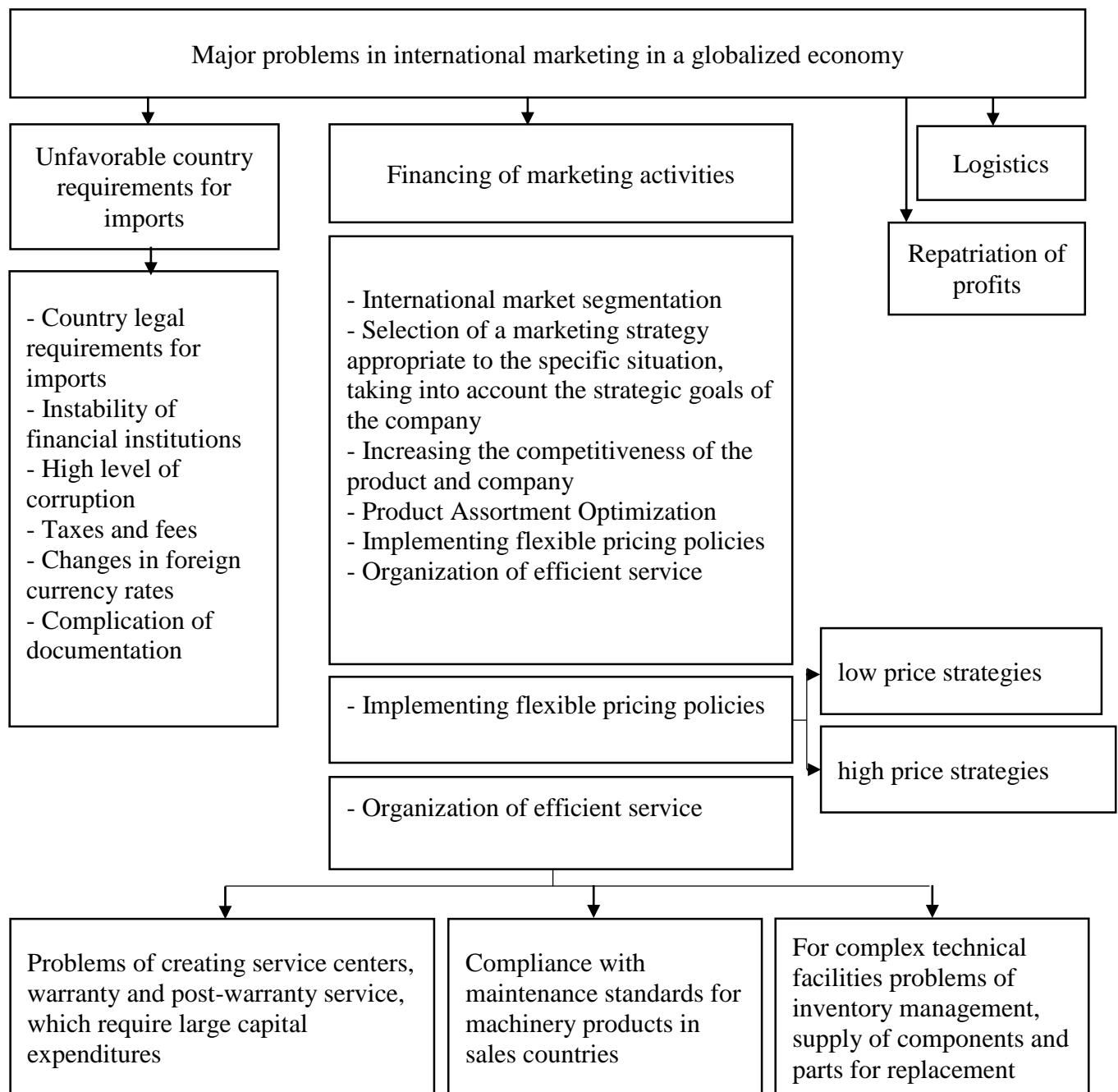
The international market is currently undergoing a radical structural restructuring characterized by three essential features:

- Globalization (splicing of local markets);
- Standardization (availability of similar products from competitors);
- Individualization or adaptation (the need of customers for individual service).

For the organization of sale abroad, the firm should understand the features of the international marketing environment. The study of the international marketing environment includes the solution of the questions connected with the system of international trade and cooperation, economic, political-legal and sociocultural environment, study of the international market of goods and services, international competition, organization of international marketing.

After making the decision to enter a particular country's market, a firm must develop an optimal penetration strategy - this includes, primarily, indirect and direct exports, licensing, joint ventures, and direct investments [31, p. 46].

There are a number of problems in the sphere of international marketing, so the successful experience of overcoming them is especially valuable. The main problems of international marketing are presented in fig. 1.3.



**Fig. 1.3. Major problems in international marketing in a globalized economy**

Source: [19, p. 141]

Preparation and reception of these decisions demands working out of the complex program of the international market activity of the enterprise, which is an integral part of its scientific and technical, industrial, financial and economic and social activity.

One of the basic issues of management is to develop an algorithm for the planned provision of marketing activities that cover and provide a sequence of necessary management functions to:

- subordination of tasks related to the implementation of the mission and goals of the company;
- formation of the company's business portfolio, in particular the development of the product concept, product strategy, quality improvement and adaptation of the goods to the conditions of the selected foreign market;
- study of markets, including uncontrollable and controllable factors of the marketing environment, their prospects and dynamics, the study of the characteristics of consumer motivations and preferences;
- choice of the most attractive markets and market (global) segments;
- demand generation and sales promotion, including advertising campaigns and propaganda;
- organization of service and so forth.

The development of the planned foundations of international marketing at all stages of the implementation of management measures from the formation of marketing programs to the implementation of tools of planned regulation and controlling the effectiveness of international marketing activities is presented in Annex A.

An imperfect understanding of the essence and tasks of management process planning hamper the successful development of planning and controlling instruments of international marketing activity of Ukrainian companies. The reason for this, first of all, is the use by domestic business entities of mainly indirect forms of export activities, when most marketing functions are shifted to intermediaries. This explains the insufficient experience in the use of planned marketing tools in the sphere of foreign economic activity.

Companies, which seek to expand their international activities or intensify their presence in the global market usually face the need to solve a number of typical problems of business organization, among which the main ones are coordination of

marketing tasks with the priorities of the corporate business plan and practical application of planning and regulatory mechanisms and controlling instruments to enhance the economic performance of international entrepreneurship.

The process of planning a company's international activities should begin with the development of a corporate business plan and the identification of priorities for the development of production and commercial activities, followed by the coordination of internationalization goals with the capabilities and aspirations of the company. It implies determination of a long-term perspective of the company's development and the essence of the internal corporate analysis, which includes assessment of financial resources, personnel structure, product policy, and the influence of environmental factors. After the assessment of corporate capabilities and market needs, the goals of international activities and marketing support for international sales, costs and pricing, and risk management are determined. This in turn presupposes detailed research of conditions and current conditions of foreign markets, in particular factors of macro and micro environment and peculiarities of consumers' motivation; conditions of implementation of international marketing activity for research of nature of competition, availability and cost of information base, methods of distribution, and specifics of state regulation and restrictions; and other circumstances characterizing attitude to a particular type of business, foreign entrepreneurship and the like. The logical continuation of the planning process after obtaining and comprehending the market situation and marketing potential of the company is an alternative choice of operational decisions on the location of production and organization of foreign representative offices, product and market strategy and promotion system [40, p. 87].

In general terms, a marketing plan can be defined as a blueprint for the future activities of a company to achieve a certain commercial goal under certain opportunities in a specified period of time. International marketing planning, consisting of long-term and short-term planning, consists of a deliberate attempt to influence, manage the scale, speed and consequences of changes in the external environment and in the company itself.

The process of planning international marketing activities involves a certain logic and appropriate steps in the implementation of marketing activities (table 1.3).

Table 1.3

**The manifestations of planning and management activities in international marketing**

Stage	Type of activity	Economic content
1	2	3
Planning	Planning the overall management strategy of the company	Defining the company's economic portfolio, mission and aspirations: goals, directions for development and long-term product and market prospects in target markets.
	Planning strategies for divisions for markets (enterprises)	Ensuring the company's social and legal responsibility and business practices in certain markets.
	Formation of business strategies by product groups (SBU)	Management of competitive advantages and implementation of single or multi-segment goals at the level of strategic business units (brand and brand management).
	Formulation of functional strategies	Development of subdivisions on the basis of specifying tasks and detailing methods for implementing the company's long-term aspirations and short-term objectives of business units.
Implementation	Business set up	Construction of planning and logistic schemes of movement of information and founding documents and reporting.
	Formation of tasks and level of responsibility	Distribution and delegation of duties between participants in the planning and organizational process.
	Resource Allocation	Search and optimization of resources.
Control	Results monitoring	Determining the frequency and quality of various forms of control of marketing activities.
	Evaluation of results	Calculation of indicators of production and commercial activity of the company in dynamics.
	Adjustment of activities	Improvement of marketing activities based on the results of the evaluation of the effectiveness of marketing activities.

Source: compiled based on [35, p. 463]

To perform the planning and coordinating functions marketing programs are developed - long-term (strategic) and short-term (tactical), which allow to maintain the logic and sequence of activities, as well as help to ensure clear implementation of the marketing objectives.

Strategic programs are developed on the basis of research and forecasting of conjuncture of commodity markets and cover marketing activities designed for a long period depending on the market situation and type of business according to the adopted marketing strategy. In fact, strategic programs can be conventionally divided into medium-term (0.5-1 year) and long-term forecasts (2-3 years and more) which differently solve problems of planning support of international marketing activity at different stages of its realization. Strategic marketing programs focus on expediency and methods of entering foreign markets, choice of market and forms of presence in certain territorial markets and global segments, specifics of business behavior, intensity of marketing efforts, providing resources, etc. In fact, such programs are predominantly ethnocentric due to the fact that they highlight to a greater extent the market interests and corporate capabilities of the company pursuing international expansion.

Short-term (tactical) programs provide for the formation of specific tasks with detailed actions, responsibilities and deadlines for implementation, and the development of specific methods and schedules of activities. In the practice of international business such programs act as a means of implementing entrepreneurial aspirations of the company, combining corporate methods of business behavior with technologies common in this or that market. This often manifests itself in duplication of exit and presence methods, timing and style of implementation of these or those stages of production and commercial activity, methods of product promotion, even the design of offices and requirements for personnel by companies of the same type of business. First of all it concerns the companies which do not have their own innovative technologies of international business from the countries which have not yet received sufficient experience of effective market-oriented international activity.

Thus, the main problem of the planned provision of international marketing activity is the need to realize the necessity of systematic use of innovative planning-regulating technologies in the process of international marketing in the conditions of actual absence of intensive forms of international interaction. The dominance of mainly extensive forms of indirect exports does not provide for the active use by Ukrainian

companies of modern tools for effective international business and their creation of significant competitive advantages in the internationalized market environment.

## **CHAPTER 2. PROBLEMS AND PERSPECTIVES OF PRJSC MMWF «OSKAR» MARKETING PROGRAM DEVELOPMENT**

### **2.1. The organizational and economic characteristics of the company**

Practical aspects of the coursework topic were studied on the materials of the existing company: Private Joint Stock Company Morshin mineral water factory «Oskar»» (PRJSC MMWF «Oskar»). The main activity of the company is the production of non-alcoholic beverages (HSE 11.07). The Company has been working in the domestic mineral water market since 1995.

Production facilities are located in Lviv region, Morshyn.

PRJSC MMWF «Oskar» is a member of IDS Group Ukraine, which also includes such companies as: «Mirgorod», «Alaska», «Truskavetskaya» and also mineral water «Borjomi» imported from Georgia. IDS Group Ukraine, in turn, is part of IDS Borjomi International, which is the largest producer of natural mineral water in the category of natural bottled water in the CIS and Baltic countries.

Information about the licenses obtained for certain types of activities is summarized in the Annex D.

The main types of PRJSC MMWF «Oskar» products are:

- Mineral water «Myrgoratskaia»;
- Mineral water «Truskavetskaya»;
- Mineral water «Morshynska»;
- Mineral water «Myrgorotskaia Krotkaia»;
- Mineral water «Borjomi»;
- Drinking water «Starii Myrgorod»;
- Drinking water «Aliaska»;
- Drinking water «Akva Life»;
- Drinking water «Akva Niania».



The main market for «Mirgorod» mineral water plant OJSC products is 99.9% of the Ukrainian market. At the same time, there is some seasonality in production, which falls on the summer period.

To evaluate the internal environment of PRJSC MMWF «Oskar» the following methods were used: evaluation of strategies used in the enterprise; evaluation of its potential; strengths and weaknesses were found; competitive advantages were investigated.

In order to assess the external effectiveness of the strategies used in the enterprise, it is necessary to determine the extent to which the objectives have been achieved. This can be determined by quantitatively using a scoring scale (tab. 2.2).

Table 2.2

**Degree of achievement of the set perspective goals of PJSC MHMF "Oscar"**

Goal Type	Goal content	Degree of achievement			
		complete	not complete	partial	goal not reached
General	Increase in profit	+			
Organizational	Optimization of work individual departments		+		
Marketing	Sales expansion		+		
Social	Meeting the demand in mineral waters	+			
Financial	Asset growth		+		
Final evaluation		6	6	0	0

Source: based on [11, p. 125]

The degree of achievement of the goal is scored on this scale: full achievement of the goal - 3 points; partial achievement - 2 points; partial achievement - 1 point; target not reached - 0 points.

The final score of 12 points indicates that all the company's goals have not been fully achieved.

One of the reasons for deviation from the organizational goal is the setting of an unrealistic goal to be achieved in a short period of time, the reason for deviation from the financial goal is its untimely adjustment taking into account the probable changes in the conditions of the enterprise's functioning. [11, p. 125].

In the process of adaptation to the market conditions of the enterprise as an "open system", the implementation of the strategy involves some risk. Therefore, it is necessary to determine the level of risk in order to substantiate the obtained assessment of the degree of achievement of objectives. Let us use the formula of Z-score by E. Altman [11, p. 126]:

$$Z\text{-score} = 1,2 x_1 + 1,4 x_2 + 3,3 x_3 + 0,6 x_4 + x_5$$

Figure 2.1, where:

- $x_1$  - working capital to total assets;
- $x_2$  - ratio of retained earnings reserves to total assets;
- $x_3$  return on assets (gross profit / sum of all assets);
- $x_4$  - ratio of own and borrowed capital;
- $x_5$  - asset turnover (ratio of net sales proceeds to total assets).

By 2018 year:  $Z\text{-score} = 1,2 \times 0,325 + 1,4 \times 0,728 + 3,3 \times 0,143 + 0,6 \times 2,894 + 0,081 = 3,700$

By 2019 year:  $Z\text{-score} = 1,2 \times 0,349 + 1,4 \times 0,879 + 3,3 \times 0,400 + 0,6 \times 3,468 + 0,092 = 5,141$

By 2020 year:  $Z\text{-score} = 1,2 \times 0,301 + 1,4 \times 0,642 + 3,3 \times 0,146 + 0,6 \times 1,591 + 0,054 = 2,748$

By 2021 year:  $Z\text{-score} = 1,2 \times 0,412 + 1,4 \times 0,536 + 3,3 \times 0,153 + 0,6 \times 1,042 + 0,035 = 2,411$

Evaluation by 5-score E. Altman model [11, p. 126]:

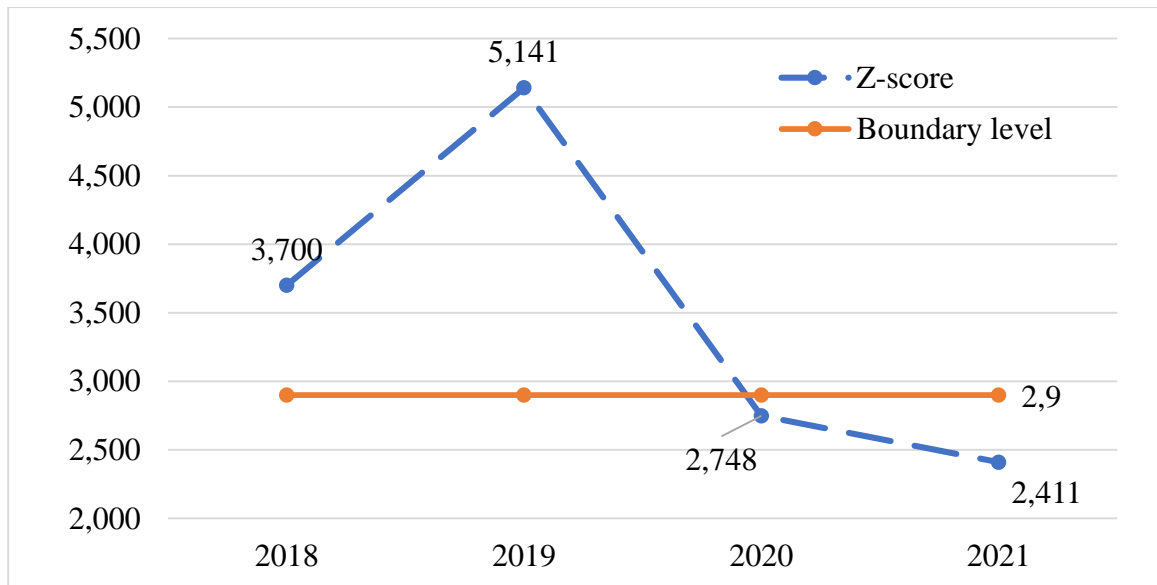
If  $Z > 2,9$  - financial sustainability zone («green» zone).

If  $1,8 < Z < 2,9$  - zone of uncertainty ("grey" zone).

If  $Z < 1,8$  - financial risk zone ("red" zone).

In our case, the financial sustainability zone ( $Z > 2,9$ ) (Fig. 2.1).

The result of the Z-score is comparable to the probable risk associated with this strategy, the difference between the actual and projected size of the Z-score will show the extent to which the risk affects the achievement of the company's goals:



**Fig. 2.1. Dynamics of Z-Score E. Altman according to the reporting data of PJSC MHMF «Oscar» for 2018-2021 years**

Source: compiled by the author

The excess of the actual level of risk over the predicted one means the acceptable influence of the risk on the degree of achieving the goal. The decrease of the indicator level (from 3.700 to 2.411) means that the situation at the enterprise is worsening, the risk of insolvency within the next two years is significant. The indicators that characterize the internal efficiency of the strategy include [11, p. 127]:

- The degree of resource utilization or economy (estimated by the resource profitability indicator);
- Profitability (estimated by the sum of balance sheet profit, net profit, share of profit in the gross profit of the enterprise and profitability index calculated by turnover);
- Productivity (estimated by the profitability index, calculated by current expenses and capital);
- Change of enterprise share in the market.

Let us consider the peculiarities of financial activity of PJSC MHMF «Oscar» (table 2.3).

Table 2.3

**Key economic indicators of financial activity of PJSC MHMW "Oscar"  
for 2018-2021 years, in thousands, UAH**

Indicator	2018	2019	2020	2021	Deviations (2021/2020)		Deviations (2021/2018)	
					+/-	%	+/-	%
Net income from product sales	1215856	1530017	1366502	1632001	265499	19,43	416145	34,23
Cost of sales	1077315	1164355	1055574	1186756	131182	12,43	109441	10,16
Gross income	138541	365662	310928	445245	134317	43,20	306704	221,38
Financial result from operating activities	80415	286959	245534	354769	109235	44,49	274354	341,17
Financial result before tax	80175	284330	174133	285441	111308	63,92	205266	256,02
Net financial result	65519	232833	142266	233204	90938	63,92	167685	255,93

Source: enterprise reporting data

In 2021, compared to 2020, net income from product sales increased by 19,43% and amounted 1632001 UAH; in 2018 it is equal to 1215856 UAH, i.e. there was an increase by 34,23% compared to 2018. Cost of sales in 2021 increased by 12,43% (or by 131182 UAH) in comparison with 2020, and compared to 2018 - increased by 10.16% (or by 109441 UAH). In 2021, gross income increased by 43.20% (+134317

UAH). Financial results from operating activities in 2021 as compared to 2020 increased by 44.49% (or by 109235 UAH). During 2018-2021, PJSC MHMF «Oscar» has positive results of activity, with a significant acceleration of financial performances in 2021.

In the table 2.4 considered how the enterprise profitability has changed. Thus, the return on assets of the company increased in 2021 by 0,61 compared to 2020, and is equal to 12,50, which shows the growth of the company's efficiency.

Table 2.4

**Profitability indicators of PJSC MHMF Oscar for 2018-2021 years**

Indicator	2018	2019	2020	2021	Deviations (2021/2020)		Deviations (2021/2018)	
					+/-	%	+/-	%
Return on assets ratio	11,69	32,73	11,89	12,50	0,61	5,12	0,81	6,92
Return on equity ratio	15,77	44,10	20,11	26,06	5,94	29,54	10,28	65,20
Product profitability ratio	12,86	31,40	29,46	37,52	8,06	27,37	24,66	191,74

Source: calculated on the basis of the company's reporting data

The increase compared to 2020 in 2021 occurred in the return on equity, which is +5,94, and by 10,28 compared to 2018. This is a very good result, as this indicator is of greatest interest to owners and shareholders, and is one of the main indicators of investment attractiveness of the enterprise, as its level shows the upper limit of dividend payments. Also in 2021, the profitability of products increased and amounted 37,52%. These results are also the best for the analyzed period. Consequently, the

demand for the company's products is growing, and its assets are not overloaded. This indicates that it is possible to increase the efficiency of the company's operations.

Material expenses occupy the largest share in the structure of operating expenses for the period under study, i.e. they exceed 70%, and however, the dynamics of their level has a tendency to decrease (tab. 2.5).

Table 2.5

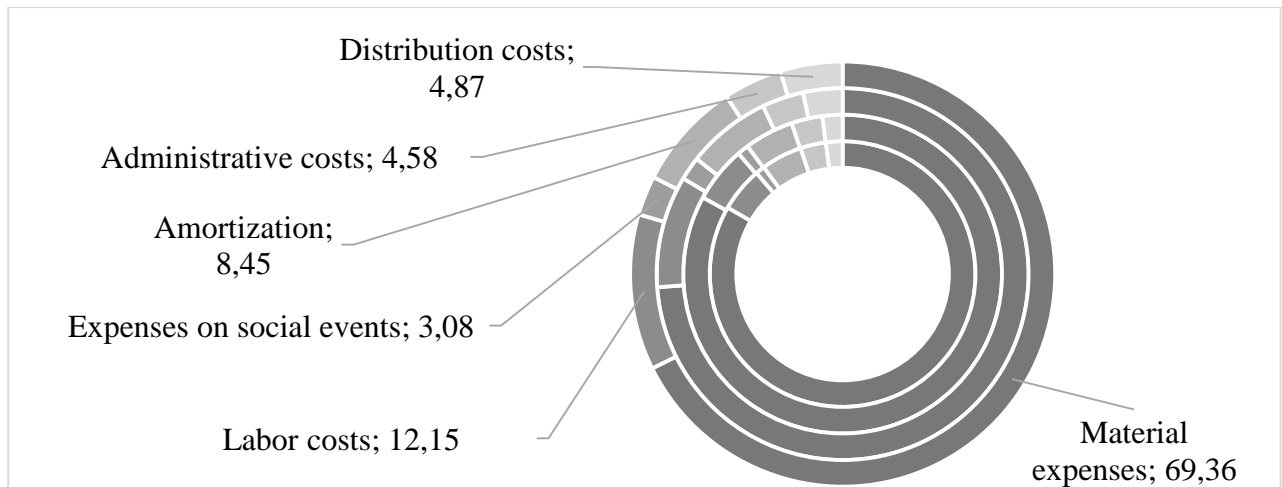
**Analysis of changes in operating expenses of PJSC MHMF «Oscar»  
for 2018-2021 years, in thousands, UAH**

Indicator	2018	2019	2020	2021	Deviations (2021/2020)		Deviations (2021/2018)	
					+/-	%	+/-	%
Material expenses	951124	968713	834647	918954	84307	10,10	-32170	-3,38
<i>Specific weight, %</i>	83,35	82,98	73,53	69,36	-4,17	-5,66	-13,99	-16,78
Labor costs	61887	66293	109964	161011	51047	46,42	99124	160,17
<i>Specific weight, %</i>	5,42	5,68	9,69	12,15	2,47	25,46	6,73	124,09
Payments for social events	12603	13500	23571	35939	12368	52,47	23336	185,16
<i>Specific weight, %</i>	1,10	1,16	2,02	3,08	1,06	51,47	1,97	178,74
Depreciation	56956	58341	85131	98646	13515	15,88	41690	73,20
<i>Specific weight, %</i>	4,99	5,00	7,29	8,45	1,16	14,88	3,46	69,29
Administrative costs	35609	36713	42031	53450	11419	27,17	17841	50,10
<i>Specific weight, %</i>	3,12	3,14	3,60	4,58	0,98	26,17	1,46	46,72
Sales expenses	22915	23834	39768	56813	17045	42,86	33898	147,93
<i>Specific weight, %</i>	2,01	2,04	3,41	4,87	1,46	41,86	2,86	142,34
Total	1141094	1167395	1135112	1324812	189700	16,71	183718	16,10

Source: calculated on the basis of the company's reporting data

On Fig. 2.2 considered the structure of operational expenses of the enterprise.

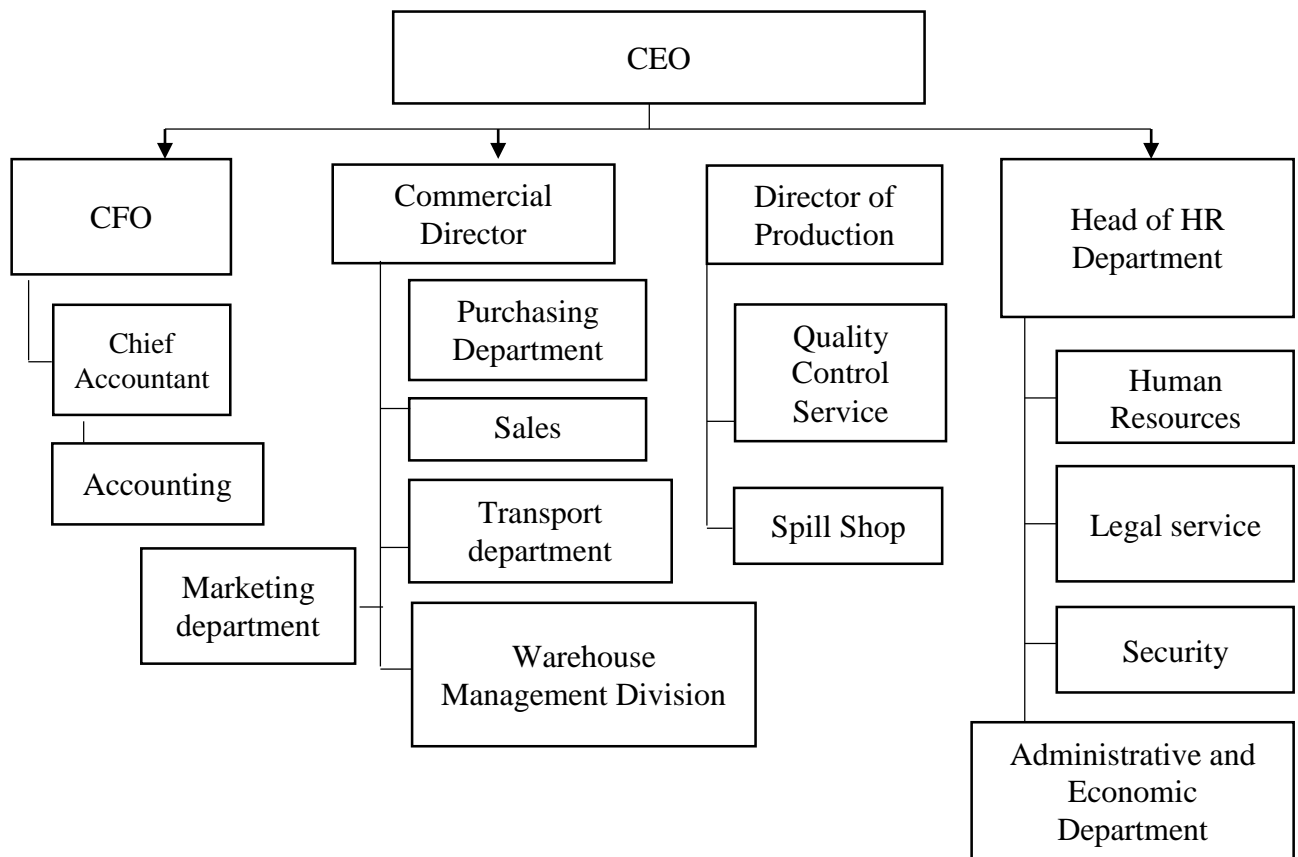
No significant structural changes have been observed in 2018-2021 years. Second behind the weight are labor costs – 12,15%. All others expenses do not exceed 9% in the structure of the company`s operating expenses.



**Fig. 2.2. Structure of PJSC MHMW Oscar operating expenses for 2018-2021 years, %**

Source: calculated on the basis of the company's reporting data

Let's analyze the organizational structure of PJSC MHMW «Oscar» (fig. 2.3).



**Fig. 2.3. Organizational structure of management of PJSC MHMF «Oscar»**

Source: compiled using enterprise data

The PJSC MHMF «Oscar» has a linear and functional management structure. It is the most common type of bureaucratic structure, characterized by a large number of horizontal and vertical connections and a small participation of the lower levels of management in decision-making.

Many years of experience using linear-functional management structures has shown that they are most effective where the management apparatus has to perform many routine, often repetitive procedures and operations with a comparative stability of management tasks and functions: through a rigid system of connections provides a clear work of each subsystem and the organization as a whole.

The disadvantages of a linear-functional management structure include: the lack of close relationships between the production departments; insufficiently clear responsibility, since the person preparing the decision, as a rule, does not participate in its implementation; overdeveloped system of vertical interaction, namely: subordination in the management hierarchy, that is, the tendency towards excessive centralization.

The director of PJSC MHMF «Oscar» carries out direct management of the company. Directly reporting to the CEO are HR director, commercial director, director of logistics and financial director.

The commercial director is primarily responsible for the implementation of business processes for the sale of mineral water from the composition, he is responsible for the purchase of water and their sales. One person is responsible for searching for suppliers and forming a client base, as well as for negotiating and concluding contracts. If at the first stage of the enterprise efforts of one person in these areas were sufficient, now is worth thinking about the introduction of the sales manager, who will take on the block for the formation of a client base, negotiations with potential customers and the signing of contracts. This will allow the commercial director to more thoroughly analyze offers from suppliers, find more favorable options of cooperation, which will not only reduce the burden on him, but also optimize the cost of sales from the



warehouse. Executive functions in the considered business processes, such as purchase, storage and sales of water from the warehouse, are distributed optimally.

For planning and analysis of the organization of production and labor, the level of technology, the quality of use of fixed and circulating assets, labor resources, the analysis of technical and economic indicators is used. Economists, engineering and technical workers, workers and management bodies according to operational and periodic reporting data, carry out technical and economic analysis.

Using information from financial statements, let's analyze the effectiveness of the use of human resources of the enterprise PJSC MHMF «Oscar» for 2018-2021 years (table 2.6).

Table 2.6

**Indicators of efficiency of the use of human resources PJSC MHMF «Oscar» for 2018-2021 years**

Indicator	2018	2019	2020	2021	Deviations (2021/2020)		Deviations (2021/2018)	
					+/-	%	+/-	%
Average number of employees, people.	459	520	554	558	4	0,72	99	21,57
Wage Fund, thousand UAH.	61887	76134	109964	161011	51047	46,42	99124	160,17
Average monthly wage, UAH.	11235,84	12200,96	16540,91	24045,81	7504,89	45,37	12809,97	114,01
Labor productivity, thousand UAH.	2648,9	2942,3	2466,6	2924,7	458,1	18,57	275,8	10,41

Source: calculated on the basis of the company's reporting data

Analysis of the data presented in Table 2.6 shows that during 2018-2021 in PJSC MHMF «Oscar» there was an increase in production, which was accompanied by an increase in the efficiency of the use of labor resources. With the increase in the average number of employees in 2021 against 2018, the payroll increased significantly. Thus, in 2021 against 2018, its value increased by 160.7% and amounted to - 161011 thousand UAH, against 2020 - another 46.42%. Thus, there is an increase in

productivity per person during 2018-2021. At the same time, against the backdrop of increasing labor productivity indicator at PJSC MHMF «Oscar» increases the average monthly wage. Therefore, in 2021 it was 24045.81 UAH (for comparison in 2018 it was 11235.84 UAH, and in 2020 – 16540.91 UAH).

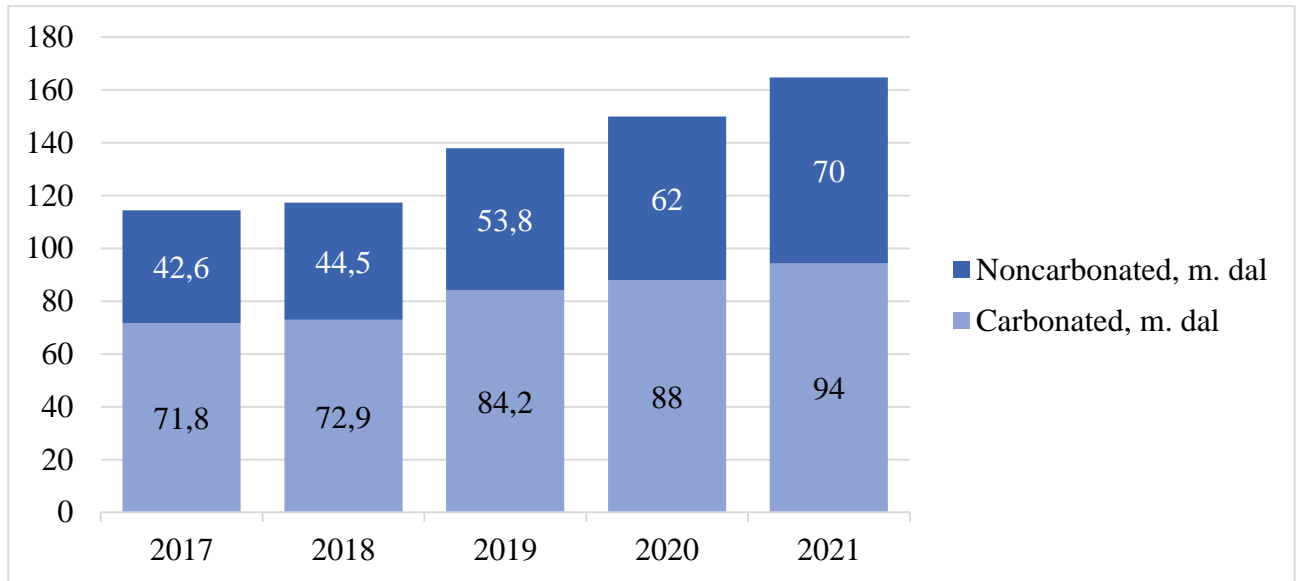
Thus, the analysis revealed that the company PJSC MHMF «Oscar» during the period under analysis has an unstable financial condition, but high growth rate of sales revenue, as well as the profitability of activities with a tendency to increase.

## **2.2. Competitive environment of the enterprise on the Ukrainian market of mineral waters**

Consider the competitive environment of the enterprise. The market of mineral water in Ukraine in 2017-2021 developed steadily. The population prefers to consume this product in spring and summer, as mineral water is the best way to quench thirst in hot weather. In addition, the therapeutic properties of some types of such water are widely known, especially for diseases of the gastrointestinal tract.

Drinking water market analysis shows that carbonated mineral water production has grown at an average annual rate of 9.6% over the past three years, with the highest rate of 17.6% in 2019.

In the structure of mineral water production, carbonated water prevails (fig. 2.4) - although its share has decreased by 4 percentage points over four years, it is still at a level close to 60%. For comparison, in the market of mineral water in Europe, the greater part - up to 85% - accounts for non-carbonated water. This is due to the culture of drinking, which has evolved over the decades. Analysis of the mineral water market showed that Kiev is the largest region-consumer of mineral water in Ukraine. The turnover in Kiev in 2021 is 1548.8 million UAH.



**Fig. 2.4. Mineral water production in Ukraine in 2017-2021, m. dal**

Source: PRO CONSULTING / Marketing survey of mineral water market in Ukraine

Consumers are concentrated in Kiev, as the number of population is much higher. Dnepropetrovsk region is in second place by the amount of turnover, Kharkov region is in third place. Average Ukrainian consumes each year about 35-40 liters of mineral water of various types, while in Europe consumption is 3-4 times higher. The higher level of consumption in European countries is caused by the trend of healthy lifestyle and again the culture of water consumption. In table 2.7 let us consider what market share the company has.

Table 2.7

**Ukrainian mineral water market structure, %**

Name of the manufacturer	2006	2013	2021
IDS Group	23,1	27,4	30
Coca-Cola	7,8	9,2	16
PAT «Erlan»	7,0	5,1	4
PrAT «Rosynka»	-	1,9	5
PAT «Obolon»	4,4	4,6	6
Others	57,7	51,8	39

Source: compiled according to the data of the sites of the companies

This index among the main competitors of PJSC MHMF «Oscar» is gradually increasing. It is a great threat for the enterprise, on the other hand, it is a good tendency to develop the enterprise itself.

The shares of the largest manufacturers of mineral water are constantly increasing, which indicates the constant development and improvement of these enterprises (for example, the enterprise "Coca-Cola Beverages Ukraine" has increased its share from 7.8% in 2006 to 16% in 2021).

In my view, most of the indicators of internal efficiency of the company's strategy are rather high, but have an unstable trend, there has been a significant decline and rapid growth of profitability indicators over the last three years.

The next indicator will assess the competitiveness of enterprise products, taking into account the level of its quality. The quality of goods characterizes the ability of goods to meet the needs in accordance with their purpose. Such indicators as influence the quality of food products: raw materials, production technology; packaging and packaging materials.

1. Raw materials. The main peculiarity of mineral water production technology is that in the process of bottling "Morshinskaya" there are no changes in the chemical composition and physical structure of water, and it is not subjected to any man-made transformations. Water remains as nature itself has created it. That is, the primary formula "Morshynska" does not need any changes, as water has a balanced mineral composition and pristine purity. Water from the deposit gets into the bottle in just 7 minutes, meeting on its way only mechanical sand filters, which free from water insignificant natural inclusions: clay or micro particles of forest soil. That's why "Morshinskaya" retains its natural formula.

The newest technologies of Morshynsky mineral water plant "Oskar" allow bottling it without destroying the unique composition of water and bringing the beneficial properties of Morshynsky springs to the consumers of our country and not only.

The plant "Oscar" in 2007 underwent a large-scale modernization, which resulted in obtaining one of the most powerful production complexes in Ukraine.

2. Manufacturing technology. Today Morshynsky mineral water plant "Oskar" is a powerful innovative enterprise, which has high-tech equipment. Also the plant is one of the leaders in terms of production volumes in the region, as well as the leader in the segment of carbonated and non-carbonated table waters. In order to satisfy consumers' requirements and provide them with high quality products the plant has implemented a total quality control system, which covers all the links - from the source to the consumer. The whole process begins with monitoring of water quality at the source, as well as current control in production. After that, there is internal and state certification of finished products, logistic support by branches of Ukraine, including warehouse system of quality control. Also there is a constant control of products on the shelves of all retail outlets in order to avoid the possible appearance of counterfeit.

In 2012, the Morshynsky mineral water plant "Oskar" has certified quality management system in accordance with ISO 9001, as well as the safety management system in accordance with ISO 22000.

Total system of quality control is facilitated by certified production and analytical laboratory at Morshynsky mineral water plant "Oskar". Its qualified workers provide permanent systematic control of physical-chemical, microbiological and organoleptic indicators of water. Also, incoming inspection of raw materials and materials and previous tests of packaging materials are constantly carried out.

3. Tare and packaging materials. One of the influencing factors on consumer choice is water design, namely the shape of the bottle and label design. Therefore, the bottle of mineral water "Morshynska" has such a shape, which provides its easy holding even with one hand. Today there are 0.33-liter, 0.5-liter, 0.75-liter, 1.5-liter, and 6-liter bottles. Also in 2020, a new design of 0.33-liter, 0.5-liter and 0.75-liter glass bottles was introduced. In the same year, "Morshynska" received an international quality certificate for the EU countries, and thanks to the new packaging achieved a balance of ideal natural content and improved external form, corresponding to the highest requirements of consumers.

It should be noted that TM "Morshynska" always updates the label design in order to increase consumers' interest and attract more attention to its products. For

example, in 2017 Morshynska mineral water is presented in unique toy bottles in the form of Disney cartoon characters. The first characters of the series were the characters of "Cold Heart" and "Star Wars," later "Disney Princesses" and "Peppa Pig". "Drink and play!" - this was the main leitmotif of the "Morshynska" concept, which aims to foster healthy habits of proper water drinking from early childhood.

In March 2018 TM Morshinskaya released drinking water for children from the first days of life, which is suitable for drinking, preparing baby food, as well as diluting milk mixtures. Therefore, a bottle of 0.33 l. is convenient to hold with small hands; 1.5 l. - to take with it in the car and the large format of 6 liters is ideal for preparing meals and drinks at home.

In May 2018 "Morshynska" released a limited edition of 0,5 l bottles with a soccer theme. Subsequently, in October of the same year TM "Morshynska" released a series of bottles with labels dedicated to 5 cities of Ukraine - Kyiv, Dnipro, Lviv, Odessa and Kharkiv. The design of the label combines three murals, famous landscapes, and the logo of the city. This product is represented by 1.5-liter bottles. (Non-carbonated).

Significant strengths of the enterprise should be the basis of the strategy. On the other hand, a good strategy should minimize the negative impact of the weaknesses of the enterprise on its competitive status.

Conducted analysis and assessment of the use of enterprise potential and existing strategies, as well as analysis of competitors allow identifying the relative competitive advantages of the enterprise. For this purpose, a map of strengths and weaknesses analysis - "Polarity Profile" is made (table 2.8).

To identify the competitive advantages of the enterprise, let's conduct a comparative assessment of the enterprise (PJSC MHMF «Oscar») and the strong competitor (PJSC «Mirgorod Mineral Waters Plant»). In order to do this, the data of the activity profile of the strong competitor and the researched enterprise are used, subtracting the estimate of the corresponding indicator of the active competitor from the estimate of each performance indicator of the enterprise.

Table 2.8

**Profile of activity of PJSC MHMF «Oscar»**

Indicators	Point		
	1	2	3
Degree of goal achievement		+	
Level of risk (Z-factor)			+
Degree of appropriateness of organizational structure			+
Level of communication at the enterprise		+	
Style of management		+	
Profit level		+	
Market share			+
Quality Control System			+
Variety of assortment		+	
Flexibility of pricing policy		+	
Feasibility of contract policy		+	
Sales organization system			+
Level of service		+	
System of incentives for customers			+
Degree of marketing activity			+
Research and development (R&D)		+	
State of material and technical base		+	
Qualification composition of staff			+
Evaluation of staff flow			+
Personnel motivation level		+	
Financial opportunities of the company		+	
Organizational culture		+	
Rating assessment of the enterprise	53		

Note: 1 - weak side, 3 - strong side.

Source: based on company data

To identify the competitive advantages of the enterprise in comparison to the main competitor on the Ukrainian market, let's consider the polarity profile (table 2.9).

Table 2.9

**Polarity profile (the main competitor PJSC «Mirgorod Mineral Waters Plant»)**

Indicators	Points				
	«+»		0	«-»	
	2	1	0	1	2
Degree of goal achievement		+			
Level of risk (Z-factor)			0		
Degree of appropriateness of organizational structure			0		
Level of communication at the enterprise			0		
Style of management			0		
Profit level		+			
Market share		+			
Quality Control System			0		
Variety of assortment	+				

Continuation of Table 2.9

Flexibility of pricing policy				-	
Feasibility of contract policy			0		
Sales organization system		+			
Level of service			0		
System of incentives for customers		+			
Degree of marketing activity	+				
Research and development (R&D)			0		
State of material and technical base			0		
Qualification composition of staff			0		
Evaluation of staff flow			0		
Personnel motivation level			0		
Financial opportunities of the company				-	
Organizational culture			0		
Rating score of the enterprise		+			
Relative polarity index	9			2	

Source: based on company data

The results of the comparative assessment are reflected in the Polarity Profiles. The result of +6 indicates an insignificant advantage of PJSC MHMF «Oscar» over PJSC «Mirgorod Mineral Waters Plant».

SWOT analysis - table 2.10, is one of the most widespread methods, which evaluates internal and external factors, influencing the development of the company.

Table 2.10

### SWOT matrix - analysis of PJSC MHMF «Oscar»

	<b>Opportunities:</b> 1. Increase in the number of consumers. 1.3. Expansion of market potential.	<b>Threats:</b> 1. Strengthening the position of existing competitors in the industry. 2. High pace of technological changes in the industry. 3. Shortcomings in the taxation system.
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Continuation of Table 2.10

<b>Strengths:</b> 1. High quality products. 2. High competitiveness of products. 3. Wide range of products.	1.2 Finding new ways to meet needs. 1.3. Possibility to develop new types and ways of production. 2.1. Conclusion of cooperation agreements to cover the territory of Europe. 2.2. Discounts for regular consumers. 2.3. Increasing the innovation level of the enterprise. 3.1. Increasing the competitiveness of goods, the image of the enterprise.	1.1 Ensuring stable quality of products will help to maintain the achieved positions. 1.2 Connect fast change of production technologies with their use in production. 1.3 Trends are not defined. 2.1. Develop new markets to avoid harassment by competitors. 2.2. Decrease in the competitiveness of the society's ability. 3.1. A wide range of products of our company ensures a stable position in the market.
<b>Weaknesses</b> 1. Staff turnover 2. Increase in modernization costs.	1.1 There is a need for retraining of personnel 2.1. Increased costs may lead to limited geographic expansion of services. 2.2. Expanding innovation potential leads to higher costs of modernization.	1.1 The possibility of dismissal of employees for information outside the enterprise. 1.2 Inconsistency of employees' qualification with technological changes in the industry. 1.3 High percentage of deductions to social funds reduces the level of employees' profitability 2.1 Competitors can take the lead in the market. 3.1. Reducing leadership by cost.

Source: based on company data

Having carried out the analysis of the internal environment of PJSC MHMF «Oscar», the strengths and weaknesses of such factors as: market share, product quality, state of the sales system, quality of advertising, availability of brands, product range, production capacity, availability of sources of raw materials, production costs, profitability of capital, organization of production, the volume of investments in production, turnover of current assets, solvency of the enterprise, motivation of employees, staff turnover, managerial personnel, personnel policy, and the management of the company were determined.

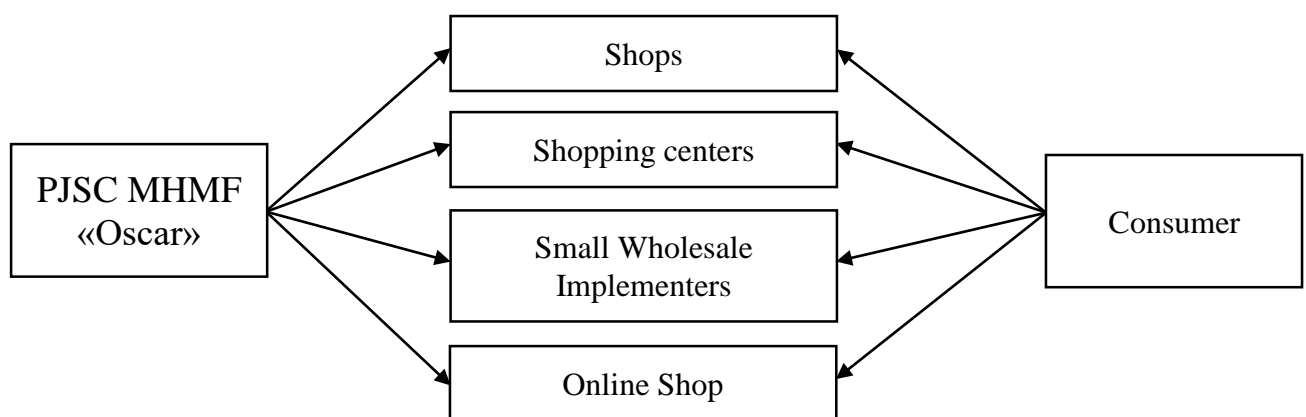
### 2.3. Analysis of the problem of the current enterprise marketing program

In accordance with its official duties, the marketing activity at the PJSC MHMF «Oscar» is carried out by the Marketing Department, in which it works: a leading marketer, marketing specialist, advertising manager.

Marketers of the PJSC MHMF «Oscar» are directly responsible for market research (customer behavior, demand forecasting, forecasting of market changes). Manager of Advertising embodies his ideas about advertising of goods, plans advertising activities, defines the advertising theme and is responsible for the choice of media.

In this case, the sales department is directly involved in the turnover of goods. Sales agents are responsible for the management of distribution channels, their duties include working with intermediaries. The company's products are aimed at a specific human consumer. Therefore, sales are carried out through retail outlets, shops and kiosks, as shown in Fig.2.5.

PJSC MHMF «Oscar» uses indirect distribution channels to sell its products. The company uses a vertical distribution system, which allows controlling and coordinating its activities, establishing strong contacts with consumers, receiving complaints and suggestions.



**Fig. 2.5. Scheme of achievement by the products of PJSC MHMF «Oscar» of a particular customer**

Source: compiled by the author

Of all known forms of vertical coordination, the enterprise under study uses contractual, namely, franchise (contract) vertical marketing system created to save on sales costs. Such organization of distribution of products of this enterprise is quite effective, since the involvement of a distributor allows reducing costs and keeping a fairly low price of products, the level of customer service increases based on the experience and specialization of the intermediary.

The main competitive strategy of the company is the strategy to expand a part of the market.

The strategy of market coverage is a diversified marketing.

The peculiarity of mineral water promotion of PJSC MHMF «Oscar» is that the main focus is not on aggressive advertising, but on the unique properties of products, their high quality and well thought out marketing strategy.

The main marketing principle of the company: products should be from the consumer at a distance of a hand. All this allows to compete successfully both with already «promoted» national brands, and with numerous regional trade marks which market strategy is based mainly on cheapness of production.

TM «Morshinskaya» popularizes the drinking of quality water among children. The call of the campaign «Drink and play!» - is a great way in the form of a game to instill in children the habit of drinking more water, to interest them, to make the child himself asked his parents to buy her water.

«Morshynska Sport» is the first Ukrainian water brand, which together with sports stars loudly declared the need to drink water during training and lead a healthy lifestyle.

TM «Morshynska» goes beyond its category and represents on the market a radically new innovative product – «Morshynska» mineral water-spray. This is a completely unique experience, when a natural product for internal consumption goes into a completely new for itself category of self-care products and is reformatted into a product for external use.

The company also receives awards for the quality of its products and organized projects:

1) In 2015 - according to the results of the prestigious international festival-competition «Choice of the Year» TM «Morshinska» received one of the most prestigious awards - "Leader of the 15th anniversary".

2) In 2015 «Morshinska» mineral water plant «Oscar» received a certificate from the international certification body DQS-UL CFS GmbH, Germany, confirming that the food safety management system at the plant meets the highest international standards. The certificate confirms that the food safety management system at the plant meets the requirements of FSSC 22000 certification scheme. Factory «Oscar» became the second in Ukraine producer of bottled water (after «Mirgorod» mineral water plant), which received the certificate FSSC 22000.

3) Millions of Ukrainian people have chosen their favorite mineral water. In 2016 it was again a natural «Morshynska». This recognition is confirmed by the authoritative international festival-contest "Choice of the Year".

4) In 2016 «Morshynska» received a prestigious award from The International Taste & Quality Institute in the category "For the best taste".

5) In March 2017 «Morshinska» mineral water plant «Oscar» received a certificate of conformity for the production process and products from the authoritative certification center «BALTSERT» (Daugavpils, Latvia). The certificates issued by the certification center «BALTSERT» are recognized at the international level.

6) In May 2018 «Morshinskaya» begins cooperation with the largest fast-food restaurant chain McDonald's global program "Scope for Good". One of the important areas of the program is to improve the nutritional value of Happy Meal. The restaurants of the chain are «Morshinska» and limited edition «Morshinska Sportsman» with the hero «Hepik».

7) In summer «Morshinska» starts cooperation with British TV - and Entertainment One Film Company. The series "Drink and play" gets a new hero - the most popular children's character - Peppy's Pig and her family.

8) In August 2018 «Morshinska» introduced a new product – «Morshinska» - drinking water for children from the first days of life. The new product has low

mineralization and balanced composition, will help the child's body to function properly and grow up healthy.

The Marketing Department has significant development at the PJSC MHMF «Oscar», however, there are shortcomings. Unfortunately, it does not have sufficient influence on other structural subdivisions. Therefore, it can be argued that the existing organizational structure is quite effective, but without further rationalization of the enterprise management system, it will be useless to expect high profits in the future. Also, the principles of marketing and logistics are not sufficiently used in the enterprise, although there are good reasons for its wide implementation. They are caused by seasonal fluctuations of production, transportation and consumption cycles.

Prolonged storage of packaged water gives grounds for organizing storage of products at the enterprise.

Computerized warehouses of "new generation", where all processes are controlled by automatic machines, allow the manufacturer to avoid contradictions between production and consumption. Such a warehouse system would allow this enterprise to organize production rhythmically and to use the enterprise's capacities to the maximum extent possible.

A specific feature of the mineral water market is that different water brands compete not only with each other, but also with products of related beverage categories. In this situation, it is important for water producers to use advertising tools to make their products look better to consumers: than sweet carbonated beverages or juices. [1, p. 56-62].

Today Morshinsk mineral water plant "Oscar" is a powerful innovative enterprise. With its high-tech equipment, it is one of the leaders in the field in terms of production volumes and a leader in the segment of carbonated and non-carbonated table water. But the main pride of the plant is its experienced staff using modern approaches in production organization. In order to provide consumers with quality original products, the company has implemented a total quality control system, which covers all links - from source to consumer. Everything starts with monitoring of water quality in the source, current control at production. Then there is an internal and state

certification of finished products, logistics support for the branches of Ukraine, which includes a warehouse quality management system, as well as constant monitoring of products on the shelves of retail outlets to avoid possible counterfeiting.

Let's look at the price formation scheme. The price strategy of an enterprise is determined by the demand for products, and should meet both the needs of the enterprise and the capabilities of the consumer. The main problem of PJSC MHMF «Oscar» activity is the price strategy planning. There are two main factors affecting the plant's activity in this direction:

I Demand for all types of products manufactured by the PJSC MZMF «Oscar» is inelastic and negatively reacts to the price increase.

II The demand for all kinds of goods is seasonal: it is increased from the end of May to the beginning of September, in the rest of time it is kept at a lower level.

Based on these provisions, a lower price should be included in the price strategy to attract consumers. The method of average market prices has been chosen as the basic method of pricing in determining prices for products. Accordingly, the internal prices of competitors are taken as the basis for calculation. Own production costs are also taken into account.

PJSC MHMF «Oscar» uses the services of specialists who provide mass media and contact groups with necessary information about the enterprise's activity. For today the enterprise "promotes" production of own manufacture, a considerable quantity of billboards is placed directly on walls of factory and not only, are more than five kinds of television advertising of the given water available. Therefore, it should be noted that a large number of potential buyers are sufficiently informed about the range, novelties of the plant production of mineral water.

Mineral water "Morshinskaya" was a sponsor of the football tournament SeniCupy2012-2013. In addition, this company develops such monitoring of effective advertising to induce consumers to buy products:

- Placement of advertising in printing publications (newspapers, magazines), distribution of leaflets to familiarize the population with new products, promotional prices;

- Organization of press conferences, meetings of plant managers with mass media representatives;
- Television advertising on commercial channels.

At present, television advertising as an effective communication tool has almost exhausted itself. Therefore, PJSC MHMF «Oscar» advantageously uses e-commerce for sales of products at this stage. One of the tools that allow winning the leading positions in the world's leading search engines is contextual advertising - displaying text advertising blocks and banners in accordance with the search query specified by the user. The effectiveness of this advertising is quite high, because it provides a better conversion of visitors and buyers.

## **CHAPTER 3. FORMATION OF PJSC MHMF «OSCAR» MARKETING PROGRAM IN INTERNATIONAL BUSINESS**

### **3.1. Justification of the structure of the international marketing program**

Domestic producers of mineral water, in particular PJSC MHMF «Oscar», work mainly on the domestic market. The mineral water industry in Ukraine is characterized by weak export orientation. The main export destinations for mineral water sales are Moldova and Russia. In the geographical structure of mineral water imports, Georgia, Russia, Italy, France and Bulgaria account for the largest share. In the structure of foreign trade, as well as in the structure of production, carbonated mineral water prevails. [2, p. 3].

The export potential has been barely exploited yet, although it is quite significant. Next to us is a capacious market of the European Union, where the average consumption of minerals per inhabitant is 3-4 times higher than in Ukraine. However, in order to enter Europe with their products, Ukrainian producers need to certify them accordingly.

In the European Union (EU) market, only natural mineral waters recognized in the EU may be sold. The list of recognized mineral waters is published in the List of Natural Mineral Water Recognized by Member States.

The recognition of natural mineral water is conducted by the competent institutions of the EU countries and includes:

- assessment of conformity (certification) of mineral water, conditions of its extraction and bottling to the requirements of EU regulations;
- registration in an EU country;
- notification to the European Commission of registered natural mineral water;
- inclusion of mineral water in the list of natural mineral waters recognized in the EU [9].



Specific labeling requirements are set for individual foodstuffs, such as mineral water.

Natural mineral water recognized in any of the EU countries can be freely distributed throughout the EU.

Marketing plan of PJSC MHMF «Oscar» is like a map: it should show where the enterprise is at the moment, where it is going and how it is going to get there. To find out the quality of the marketing plan, let's consider the problems that arise at PJSC MHMF «Oscar» in the absence of a marketing plan, as well as the results that the company gets after its development and improvement of the process of marketing planning.

Table 3.1

**Problems and results of developing a marketing program of PJSC MHMF «Oscar»**

Problems caused by the lack of a marketing program	Results of marketing program development
The company has several options for development, but it is not decided which of them is the best to invest in;	A list of attractive areas of development is defined, unattractive areas are discarded;
It is unknown which customers should be targeted in the first place	The group of target consumers is defined and their description is obtained
It is unknown which types of products should be developed, which should be improved, and which should be abandoned.	Strengths and weaknesses of the enterprise are identified - it is clear which problems need to be solved first
the company is developing "jerkily," there are no clear perspectives for development	A clear plan of action has been established, which should lead to the intended objectives

Source: compiled by the author

Thus, the marketing program of PJSC MHMW «Oscar» should contribute to:

- 1) the systematization and communication to all employees of the enterprise of the ideas that were exclusively in the head of the manager before it was drafted;
- 2) the clear establishment of goals and the control of their achievement;

- 3) organizing the work of the whole enterprise;
- 4) avoiding unnecessary actions that do not lead to the intended goals;
- 5) appropriately distributing time and other resources;
- 6) mobilization of the company's employees.

Let's summarize the above and once again consider all the arguments "pros" and "cons" of developing a marketing program for the enterprise PJSC "MHMW "Oscar".

Evaluation of sales promotion in PJSC MHMW "Oskar" allowed identifying the relevant aspects of the direction of sales promotion. One of the promising areas of sales promotion is the development of marketing relations. Its task is to establish long-term relationships of the enterprise with consumers and suppliers. At the same time, the attention should be paid to:

1. establishment of mutual reliability, stability of relations of formal (business) character;
2. implementation of direct contacts, development of partnership, etc. in the sphere of relations of informal character. Table 3.2 shows arguments of program development at PJSC MHMW "Oskar".

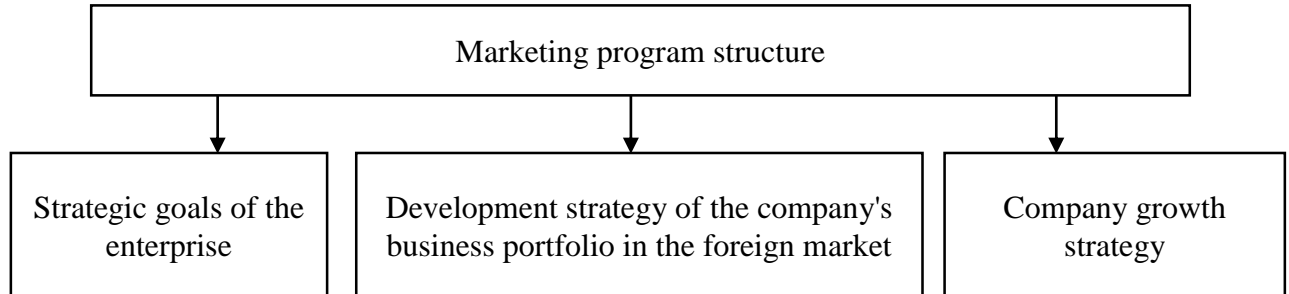
Table 3.2

**Arguments on the development of PJSC MHMW «Oscar» marketing program**

Arguments " against" the development of a marketing program	Arguments "for" the development of a marketing program
No time to develop a marketing plan	—Developing an abbreviated version of a marketing plan using the algorithm suggested in this series of articles will take a few days. -The developed marketing plan will save time by avoiding unnecessary actions that do not lead you to the goals set in the marketing plan .
We work successfully without a marketing plan	In this case, if you have a marketing plan, your company will be even more successful.
It is unknown how to develop a marketing plan	There are companies in the market for services professionally engaged in providing services for the development of marketing plans.

Source: compiled by the author

The structure of the strategic marketing program of the foreign economic activity of the enterprise consists of three interrelated blocks: the objectives of the enterprise, the strategy of development of the economic portfolio and growth strategy of the enterprise are shown in fig. 3.1.



**Fig. 3.1. Structure of strategic marketing program in international business of PJSC MHMF «Oscar»**

Source: compiled by the author

We can distinguish three directions of enterprise growth - intensification of existing possibilities, joining efforts with other firms and enterprise exit into other spheres of activity. The choice of growth direction determines the choice of marketing concept:

- intensive growth;
- integrative growth;
- diversification.

The choice of a growth strategy is very important for the company. Let's study the types of growth strategies of the PJSC MHMF «Oscar» (table 3.3).

Table 3.3

**Key areas of growth opportunities for the PJSC MHMF «Oscar» (intensive growth strategies)**

Deep penetration	Expanding market boundaries	Product Development
Mineral water price reduction	Entering the Polish market	Launch of new apple-flavoured products on the market
Improving the service of product delivery to the consumer	Entering the market of Belarus	Introduction of new products on the market with the volume of 3 l
Placing large quantities of advertising in stores or expanding the network of television channels	Close cooperation with a network of private enterprises	Creation of a new logo and corporate identity of products
Periodically update the corporate website and regularly fill it with useful information.		
Hire merchandisers to improve shelving in shops and supermarkets		

Source: compiled by the author

The strategy of deep penetration in the market is most typical for PJSC MHMW «Oscar». Due to the use of this strategy it is possible to obtain significant profits, increase sales of products, as well as expand the number of potential customers.

Table 3.4

### Integrative Growth Strategy

Regressive integration	Progressive integration	Horizontal integration
Collaborate with disposable bottle factory	Cooperation with a network of private enterprises such as «Family Sausage», «Pan Kurchak»...	Opportunity to acquire a controlling interest in a competitor's company
	Cooperation with two distribution networks	Merger with PJSC «Mirgorod Mineral Water Plant», to expand consumers before increasing profits

Source: compiled by the author

According to the tables, it is possible to determine in which area of activity PJSC MHMW «Oscar» should direct its efforts in the future. This will allow the plant to develop and not to depend on certain products and markets, which will be well reflected in the success of the enterprise.

Marketing activity of the PJSC MHMF «Oscar» is subordinated to solution of two groups of tasks: practical implementation of the plant's strategy of entering new markets with competitiveness, high quality products and creation of mobile and flexible system of interaction of functional services with customers and potential consumers produced by the PJSC MHMW «Oscar». This principle is the basis for development of functional responsibilities of the specialists of marketing structures of the enterprise.

PJSC MHMF «Oscar» needs to develop a marketing program for export activities, for more effective and profitable work in this area. When developing a marketing program, follow a certain classification of its sections. As a result, with this approach, the plan of the marketing program will look something like the following (fig. 3.2):



**Fig 3.2. Plan of marketing program of PJSC MHMW «Oscar»**

Source: compiled by the author

First of all, the goals of the marketing program, defined by the planned activities, are formed. Then specific activities to achieve the goals of the marketing program are determined. In addition, the needs in resources for realization of the planned plans and tasks are defined. The necessary quantitative characteristics of monetary, material, technological and human resources are given. Then a detailed organizational plan is developed, specifying deadlines, responsible persons, and other characteristics of the marketing program activities. Also, questions of the organizational and economic plan and information support of the developed marketing measures are solved. The marketing program ends with the control section and the estimate of expenses on realization of the program as a whole, on separate items and on possible increase of its efficiency.

The marketing program should be short-term as the enterprise plans to export mineral water, and this type of production is more seasonal, therefore it is reasonable for the enterprise to develop the program only for the period of time up to one year. As for the volume of marketing program problems, the enterprise should develop small programs that cover the issues of subdivisions' activities, improvement of assortment, sales channels, advertising, etc.

The process of development and adoption of marketing decisions require adaptation to the changing foreign environment based on the formation of the international marketing activity program of the enterprise. The component, which is the analysis of internal capabilities of the enterprise in the context of its general scientific and technical, industrial, social and financial-economic activities. The decision to enter a foreign market involves the development of the concept and strategy of its foreign economic activity and international marketing [6, p. 5].

The firm's entry into international marketing activities implies that it is ready to comply with the five basic rules of doing business in another cultural environment:

1. To be ready for the perception of foreign culture: the study of the history of the country, its culture, business etiquette, folklore, the system of political system, the daily interests of buyers.
2. To understand the rhythm of life. Remember that not all countries are equally attentive to time, and consider lateness as disrespect to the partner.
3. Be willing and able to establish personal long-term and trusting relationships with foreign partners.
4. Master the language of the foreign partner.
5. Respect the traditions of the country; observe the accepted norms and rules of conduct [17, p. 26].

Thus, in today's environment, when companies enter foreign markets, a number of problems become more acute: competition intensifies, risks increase in comparison with national activities, product quality requirements increase, and the dependence of successful product promotion on the depth of understanding of the foreign market features increases.

### 3.2. Development of the international marketing program of PJSC MHMW «Oscar»

Note that usually strategic marketing planning involves the establishment of quantitative indicators of activity, but mainly qualitatively determines and describes the main goals and objectives of the company in the future. However, note that the quantitative determination of targets is still useful, because, firstly - the quantitative definition of objectives facilitates the process of achieving them, and secondly - facilitates monitoring of the implementation of the strategic marketing plan and the implementation of appropriate corrective measures to eliminate deviations of actual indicators from planned. The main strategic guidelines in the marketing activity of PJSC MHMW «Oscar» are presented in table 3.5.

Table 3.5

#### Strategic objectives of PJSC MHMW «Oscar» in certain areas of marketing

Directions	Goals
The volume of turnover that should be achieved	Increase the turnover of the enterprise to 1400 million UAH per year (in wholesale prices). With this the average level of profitability of sales should be 11% (143 million UAH).
Market share that should be achieved	To become one of the leading wholesale firms in Romania, increase its market share to 1%.
Promotion strategy	Intensify measures to stimulate sales, introduce seasonal discounts to stimulate sales during the decline in certain market segments.
Commercial information gathering activities	To follow the state of the market, to carry out continuous monitoring of the market, tracking the proposals of competing companies by studying advertisements, publications in the media.
Pricing strategy	To use a differentiated approach to pricing, primarily taking into account the turnover rate.
Assortment strategy	Monitor the proposals of domestic and foreign manufacturers, include in the product portfolio at least 3% of new products for the year (if such will be).
Advertising strategy	To carry out active advertising support of sales, to intensify advertising campaigns during the "season". Advertising budget of the company for 2022 - 425 thousand UAH.
External markets	To enter foreign markets, first of all EU markets

Source: compiled by the author

Propose the following algorithm for developing a marketing plan of PJSC MHMW «Oscar», which consists of five consecutive steps:



Step 1. Defining the mission of the enterprise. This step defines the mission of the enterprise (its purpose in the market).

Step 2: The SWOT analysis is an analysis of the strengths, weaknesses, opportunities and threats of the company's immediate surroundings (external environment). This analysis gives a very clear idea of where the enterprise is and what it is all about.

Step 3. Define the goals and strategy of the organization as a whole. This section provides the basis for developing a specific marketing action program.

Step 4: Definition of tasks and the program of actions on their realization. At this stage, the tasks of marketing department are defined within the framework of the general plan of the enterprise, and the program of actions directed on the decision of these tasks is developed.

Step 5: Create a marketing plan and monitor its implementation. At this step, the document itself is compiled and the values of the parameters by which the implementation of the marketing plan will be monitored later are determined.

On the basis of the results of the analysis (competitive analysis, market analysis, SWOT-analysis) a marketing plan was developed for the company to expand the market for PJSC MHMW «Oscar».

Having conducted the research, Romania was chosen as a new importer of PJSC MHMF «Oscar» products, because the company's products are not yet represented in this country. Experts characterize Romania's market as one where there is a fairly high level of demand for soft drinks, and national manufacturers are unable to fully satisfy it.

After the research, the company «Rainbow» Ltd. was chosen as a partner, which is engaged in wholesale and retail trade and has been operating in the Romanian market for several years.

A commercial letter was sent to Rainbow Ltd. proposing to conclude a contract for the purchase and sale of soft drinks. After all issues were agreed upon, representatives of PJSC MHMW «Oscar» and «Rainbow» Ltd. signed a contract for export of two types of products.

To start exporting the products it is planned to sell 50,000 L «Slightly carbonated» and 60,000 L «Highly carbonated».

According to the Law of Ukraine «On Metrology and Metrological Activity» the units of measurement of the International System of Units adopted by the General Conference on Measures and Weights and recommended by the International Organization of Legal Metrology are applied in Ukraine. This convention determines that a liter is a volume unit, thus, PJSC MHMF «Oscar» plans to sell 50 000 L of «Weakly-gassed» and 60 000 L of «Strongly-gassed». Since this product is bottled in 1 liter bottles, 50 000 and 60 000 liters will be sold respectively.

The main way to achieve these objectives is a well-developed program of action, specifically:

- offer to customers goods and services of appropriate quality;
- desired assortment;
- provision of goods in the required time and on more favorable terms than those of competitors.

Evaluation of sales promotion in PJSC MHMW «Oscar» allowed to identify the relevant aspects of the direction of sales promotion.

One of the promising areas of sales promotion is the development of marketing relations. Its task is to establish long-term relations of the enterprise with consumers and suppliers. At the same time, attention should be paid to:

- establishment of mutual reliability, stability of relations of formal (business) character;
- implementation of direct contacts, development of partnership, etc. in the sphere of relations of informal character.

At the present day, marketing communications are considered by scientists as a component of marketing strategies to stimulate sales activities, but in most cases in practice, they are not used in the sales activities of the enterprise. Such approach to marketing communications does not give an opportunity to fully use

the capabilities of marketing. In other words, one of the ways to improve the management of sales activity is the integration of marketing communications in the distribution systems of the enterprise.

In general, various marketing communications can be used for marketing purposes of the enterprise, which, in particular, contribute to the achievement of the programmed goals in the management of sales of the enterprise's products. Advertising, PR, sponsorship, branding, etc. create opportunities to increase sales volumes, eliminate bottlenecks in the formation of distribution channels.

At the same time, the use of marketing communications serves as an important factor of effective demand management even in the presence of its seasonality (as in the case of PJSC MHMW «Oscar»), contributes to the effectiveness of the management system. Thus, marketing communications, more precisely, their separate types provide an opportunity to manage sales activities, smoothing the seasonal fluctuations in demand for packaged mineral water. For this purpose, let's analyze seasonality of sales of the studied enterprise's products (tab. 3.6).

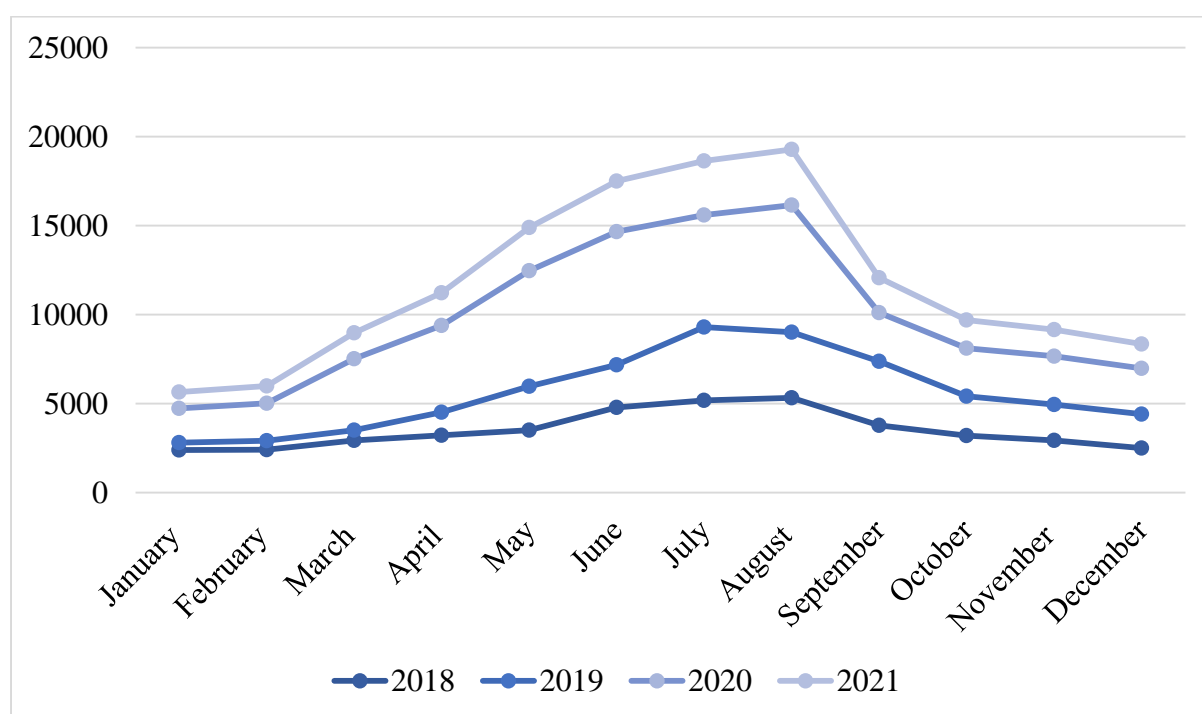
Table 3.6

**Volumes of sales of PJSC MHMW «Oscar» by months for 2018-2020, in thousands, UAH**

Year	Sales volumes					
	January	February	March	April	May	June
2018	2398,0	2415,3	2944,7	3217,9	3518,5	4780,2
2019	2812,4	2914,9	3517,0	4512,8	5980,4	7186,0
2020	4739,0	5021,7	7520,2	9390,6	12470,5	14656,6
2021	5659,7	5997,4	8981,3	11215,1	14893,4	17504,2
	July	August	September	October	November	December
2018	5188,3	5320,0	3775,2	3215,2	2943,6	2500,1
2019	9307,0	9008,6	7375,7	5423,1	4956,0	4414,2
2020	15598,4	16144,8	10112,0	8117,0	7661,1	6987,2
2021	18629,0	19281,6	12076,7	9694,1	9149,6	8344,7

Source: compiled according to company data

The data in the table 3.6 show that the products of the studied enterprise have a clearly expressed seasonal nature of sales. Thus, the demand for mineral water is naturally high in the warm season, because the consumption of this product to quench thirst is increasing. In winter there is a low demand for packaged water, and the spring and fall are, respectively, periods of growth and decline in sales. To visualize the result, let's build a graph of changes in sales volume by months for the last 3 years (fig. 3.3).



**Fig. 3.3. Seasonality of sales of packaged water PJSC MHMW «Oskar» by months for 2018-2021, in thousands, UAH**

Source: compiled according to company data

The above chart demonstrates a clear seasonality of demand for the products of the studied enterprise. To obtain detailed results, it is necessary to analyze the sales volumes of carbonated and non-carbonated packaged water, because these products have different seasonal dynamics of demand due to their

purpose. Data on sales of non-carbonated packaged water are presented in the table 3.7.

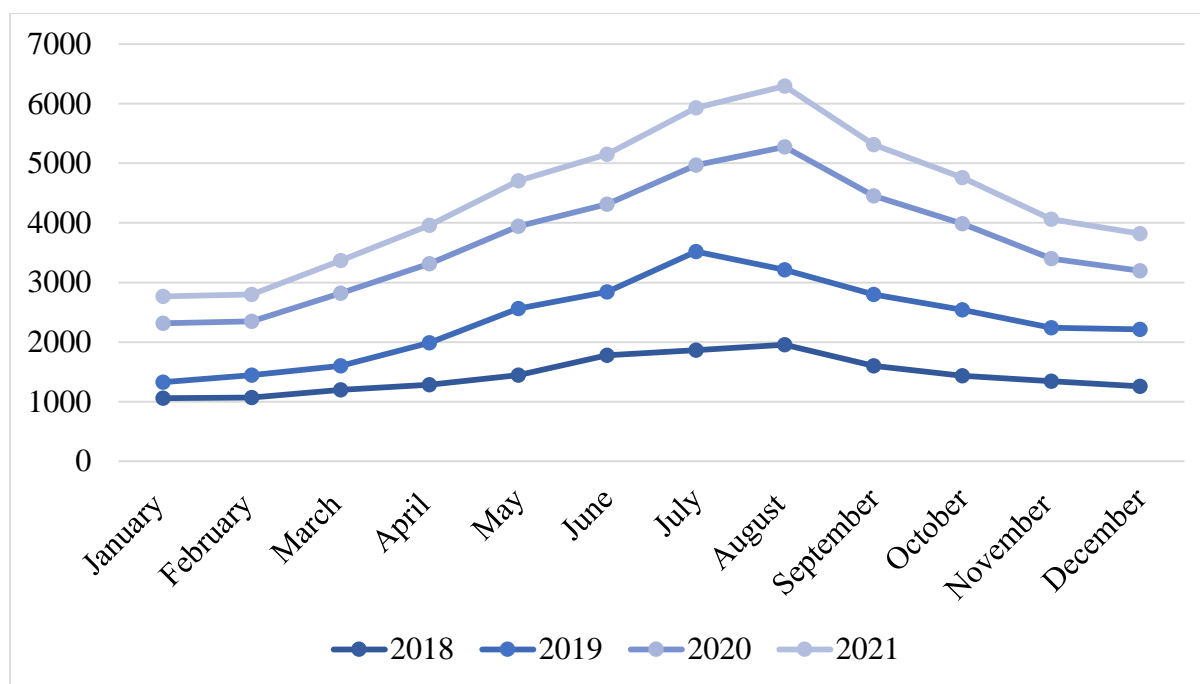
Table 3.7

**Sales volumes of non-carbonated packaged water PJSC MHMW «Oskar»  
by months for 2018-2021, in thousands, UAH.**

Year	Sales volumes					
	January	February	March	April	May	June
2018	1055,6	1066,1	1199,3	1285,6	1444,0	1777,3
2019	1324,2	1446,1	1598,9	1987,3	2561,2	2840,0
2020	2317,3	2344,7	2822,1	3315,0	3941,4	4315,8
2021	2767,5	2800,3	3370,4	3959,1	4707,2	5154,3
	July	August	September	October	November	December
2018	1866,3	1955,0	1600,4	1432,2	1342,1	1254,4
2019	3520,7	3212,0	2799,5	2541,6	2241,6	2211,6
2020	4966,9	5274,2	4451,0	3984,0	3400,8	3197,1
2021	5931,9	6298,9	5315,8	4758,1	4061,5	3818,3

Source: compiled according to company data

Based on the data in the table, let's plot the seasonality of sales of given products (fig. 3.4).



**Fig. 3.4. Seasonality of sales of non-carbonated packaged water of PJSC MHMW «Oscar» by months for 2018-2021, in thousands, UAH**

Source: compiled according to company data

From fig. 3.4, the seasonality of sales of non-carbonated packaged water can be seen quite well. Peak sales volumes are in the summer months, and there is little demand in winter. However, it is worth noting that the growth and decline in sales are gradual, and the change in volumes is relatively small. This is due to the fact that, non-carbonated water is used more in everyday life, so it is less subject to seasonal fluctuations. The situation with the demand for carbonated mineral water is quite different, which is reflected in table 3.8.

Table 3.8

**Sales volumes of carbonated packaged waters of PJSC MHMW «Oscar» by months for 2018-2021, in thousands, UAH**

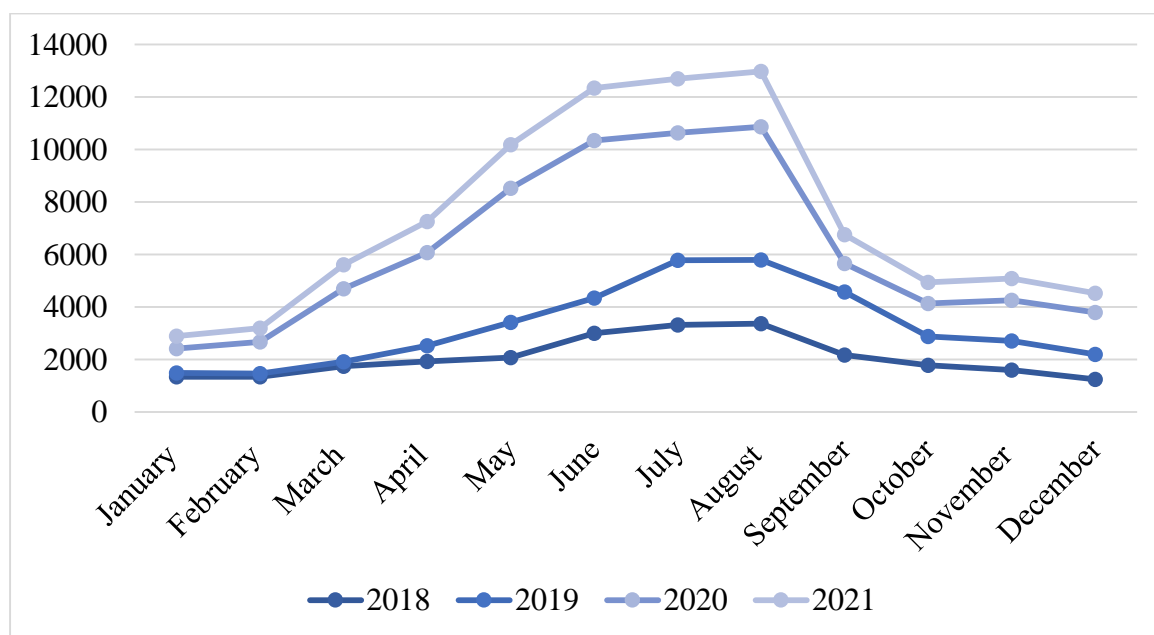
Year	Sales volumes					
	January	February	March	April	May	June
2018	1342,4	1349,2	1745,4	1932,3	2074,5	3002,9
2019	1488,2	1468,8	1918,1	2525,5	3419,2	4346,0
2020	2421,7	2677,0	4698,1	6075,6	8529,1	10340,8

2021	2892,2	3197,1	5610,9	7256,0	10186,2	12349,9
	July	August	September	October	November	December
2018	3322,0	3365,0	2174,8	1783,0	1601,5	1245,7
2019	5786,3	5796,6	4576,2	2881,5	2714,4	2202,6
2020	10631,5	10870,6	5661,0	4133,0	4260,3	3790,1
2021	12697,1	12982,7	6760,9	4936,0	5088,0	4526,5

Source: compiled according to company data

To visualize the above data, let's build a graph (fig. 3.5).

The analysis of the graph shows significant changes in sales volumes during the year. This is most clearly seen in 2021, when the demand for «Morshinska» carbonated mineral water in the summer season exceeded the winter sales volumes by more than 4 times. Such situation is logical and comes from the nature of the product itself, which in most cases is used to quench thirst.



**Fig. 3.5. Seasonality of sales of carbonated packaged water PJSC**

**MHMW «Oscar» by months for 2018-2021, in thousands, UAH**

Source: compiled according to company data

Therefore, the peculiarity of PJSC MHMW «Oskar» production is the seasonality of its demand. In this case, the researched enterprise should implement measures to mitigate the impact of fluctuations in sales volumes on production. It has two options:

- adjust to the seasonality of demand;
- stimulate demand by smoothing out its seasonality.

Let`s consider the possibilities of each of them. Adjustment to seasonality of demand should be understood as setting up production in such a way as to satisfy natural demand at the moment of its occurrence. The conducted researches indicate practically the same tendencies in sales volumes of both carbonated and non-carbonated packaged water. For better illustration of seasonal fluctuations, let`s construct the following table (table 3.9).

Table 3.9

**Seasonality of demand for PJSC MHMW «Oscar» products**

Products	Month											
	1	2	3	4	5	6	7	8	9	10	11	12
Carbonated water	min	min				max	max	max				min

Source: compiled according to company data

Therefore, this joint-stock company should make maximum use of its production capacities during the sales season. Particular attention should be paid to the production of carbonated mineral water in the summer season. When the demand for products drops, it is difficult to store products. This situation requires the development of warehousing, is a source of significant additional costs. However, it should be noted that a positive point is a long shelf life of packaged water.



Another option, which can be used by PJSC MHMW «Oscar», is based on demand management. Enterprises can smooth seasonal fluctuations with the help of sales stimulation measures. For this purpose in the month of minimum demand for goods the enterprise can widely use coupons, discounts, bonuses, prizes, organize promotions using lotteries, etc.

Based on table 3.9, let's build a general media plan for the implementation of sales promotion measures to smooth out seasonal fluctuations in demand (table 3.10).

It is reasonable to start taking measures to stimulate sales during the periods when demand starts to fall, until the moment when it should reach its critical natural level. In this case in the month with potentially low demand the researched enterprise will sell a larger volume of products. The increase in sales volume will occur due to:

- decrease in sales of inactive competitors;
- replacement by consumers of other products in this category in their consumer basket.

Table 3.10

**The annual media plan of promotions and sales promotion to smooth out seasonal fluctuations, recommended for PJSC MHMW «Oscar»**

Products	Month											
	1	2	3	4	5	6	7	8	9	10	11	12
Carbonated water	min	min										min
Non-carbonated water	min	min									min	min
	- months in which sales promotion should be implemented											
min	- months with the lowest natural level of demand											

Source: compiled according to company data

Implementation of marketing communications involves determining the effect of their realization. During management of sales activity, the main indicators of effectiveness of marketing communications should be positive shifts in sales volume as well as qualitative changes in distribution channels. Indicators of growth in sales volume are especially important because there is a need to compare them with those required for implementation of marketing communications. The resulting additional cash flow from sales growth should exceed the cost of marketing communications and the cost of producing additional product volume.

Thus, they perform significant advertising and sales promotion functions. This point is quite important in marketing activities, so let's consider it in more detail. Evaluation of the developed marketing program will help to improve the efficiency of the enterprise due to the clear definition of goals and methods of their achievement, elimination of ambiguities and superfluous actions that do not lead to the planned results.

### **3.3. Evaluation of the economic efficiency of the developed program**

Delivery of the goods will be carried out by road transport on DAF - Diakovo, Ukraine (according to Incoterms 2000). The total amount of the contract is 41576.38 euros (exchange rate EUR / UAH - 30.0). The currency of payment is euro. Payment for the goods supplied must be made in the form of a subscription by transferring 100% of the lot price to the Seller's currency account.

The tabel 3.11 shows the data used to calculate the export price of the product.

Table 3.11

**Calculation of expenses of production «Weakly-gassed» and «Strongly-gassed», UAH**

Calculation articles	«Weak-gassed» liter	«Strongly-gassed» 1 liter
1	2	3
Waste-free raw materials	0,461	0,451
Auxiliary materials (bottle, label, cap, etc.)	1,755	1,692
Total	2,217	2,143
Electric power for technological purposes	0,159	0,153
Salaries and contributions	0,530	0,051
General production expenses	0,216	0,209
Cost of production	2,645	2,556
Administrative costs	0,108	0,104
Distribution expenses	0,841	0,811
Total cost of production	3,594	3,471
Profit	0,186	0,179
Profitability, %	4,914	4,905
Selling price	3,780	3,650

Source: compiled from the reporting materials of the PJSC MHMF «Oscar»

The delivery of goods is expected to be carried out by road on DAF Diakovo (Romania) terms.

The selling price (EXW) of 110000 L of mineral water offered for export is:

$$50000 * 3,78 + 60000 * 3,65 = 389750 \text{ (UAH)}.$$

We will calculate the costs of transportation of exported products and other export costs.

1. The cost of loading a unit of motor transport at PJSC MHMF «Oscar» to deliver the goods to Romania is 350 UAH. To transport 110000 L of mineral water, 11 trucks (10 tons each) will be needed. So, the total cost of loading is:

$$350 * 11 = 3850 \text{ (UAH)}.$$

2. Expenses for cargo transportation insurance (4% of the sum insured):

$$(389750 + 3850) * 0,04 = 15744 \text{ (UAH)}.$$

3. The distance from Kiev to the border Ukraine-Romania (customs point Dyakovo) - 238 km, the cost of road transport is 15 UAH / km. Since we need 11 vehicles (10 tons each), the cost of transportation will be as follows:

a. to the border Ukraine-Romania (customs point Dyakovo):

$$535 * 15 * 11 = 88275 \text{ (UAH)};$$

4. When a contract is drawn up, the rate is fixed at \$1. The rate is fixed at the level of 1 USD = 27.7 UAH.
5. The customs value will be:

Customs value = EXW Price + Load + Insurance + Transport to the border.

$$389750 + 3850 + 15744 + 88275 = 497619 \text{ (UAH)}.$$

6. Export formalities (obtaining quality and conformity certificates) (0.1% of the customs value) are as follows:

$$497619 * 0,001 = 497,619 \text{ (UAH)}.$$

7. The cost of registration of the Customs Cargo Declaration is 800 UAH for the entire batch of goods.

Thus, the export overheads are:

Overhead costs = Loading + Insurance + Transportation to the border +  
Export formalities + GTD registration costs

$$\text{Overhead costs} = 3850 + 15744 + 88275 + 497,619 + 800 = 109166,619 \text{ (UAH)}.$$

Export costs per 1 liter of mineral water will make up:

$$109166,619 / 110000 = 0,9924 \text{ (UAH)}.$$

The full cost of exporting the total volume of beverages (110000 L) is:

Full export cost = production cost + administrative costs + export cost per  
1 liter of mineral water.

$$(2,645 + 0,108 + 0,9924) * 50000 + (2,556 + 0,104 + 0,9924) * 60000 = 187270 + 219144 = 406414 \text{ (UAH)}.$$

The contract value will be:

Contractual value = Customs value + Export formalities + Customs clearance costs.

Contractual value = 497 619 + 497,619 + 800 = 498916,619 (UAH).

PJSC MHMF «Oscar» will benefit from the proposed measure.

Profitability of export of the given batch will be defined as a ratio of profit received from export in the cost price of export production and expressed as a percentage.

Total profit from exports will be as follows:

$498916,619 - 406414 = 92502,619$  (UAH).

As a result of exporting the batch (110000 L) of non-alcoholic beverages to Romania, the profit will be as follows 92502,619 UAH.

Let's calculate the profitability of the event:

$92502,619 * 100\% / 406\ 414 = 22,76\%$ .

As a result, it is possible to assert the need for integrated marketing communications - a set of different types of communications within a single campaign. This will give an opportunity to obtain a synergistic effect for enterprises.

The effectiveness of the marketing communications system is influenced by various factors, the general principles of its improvement are:

- 1) the greater the monopoly of communication sources, the higher the probability of a positive response from the recipient of the appeal;
- 2) communications are effective when the appeal corresponds to the thoughts, beliefs and preferences of the recipient of the appeal;
- 3) it is easier to influence the consumer if he is passionate about the topic or interested in it;
- 4) communication will be successful if its source is specialized, has a high status, its goals or orientation are known, especially if it is influential and easily identifiable;

- 5) whatever the communication, it is necessary to consider the social context, always affects the perception.

In general, the implementation of marketing communications must be carefully planned. Marketing, advertising, and sales departments should be involved in this process. Only in this case the enterprise can obtain the desired effect and improve the management process of sales activities. Such planning must take into account the communication model and consumer behavior.

Another extremely important step in improving sales activities of enterprises, including PJSC MHMF «Oscar», is the use of the latest technologies to promote products on the market. After all, the development of modern scientific and technological progress makes it possible to assert that traditional communications are almost on the verge of decline. Most of the technologies designed to change the face of communications already exist today, and many are in the testing phase. In the near future, marketers will have to significantly revise the tools that help them convey the message to consumers.

There are four trends that will distinguish "tomorrow's" communications:

- 1) Complete decentralization, the dying out or rebirth and modification of the central media outlets. There is a tendency to change traditional media to the Internet.

- 2) The growing influence of opinion leaders. Independent professionals and informal authorities (opinion leaders) will exert increasing influence on consumer preferences.

- 3) Maximum personalization. This trend is already changing the look of mass production and will soon replace mass communication.

- 4) The fleetingness of fashion.

At the present time, television advertising, as an effective communication tool, has all but exhausted itself. The rapid growth of the Internet at the present stage indicates the arrival of a new era in human history - the era of electronic commerce. It offers a number of advantages to both consumers and producers of

goods: ease of use; absence of witnesses; access to a variety of comparative information about the company, products and competitors; minimization of time; formation of friendly relations between seller and buyer; possibility of lower prices; flexibility; global nature.

One of the tools that allows to win leading positions in the world's leading search engines is contextual advertising - a display of text ads and banners in accordance with the search query given by the user. The effectiveness of this advertising is quite high, as it provides the best conversion of visitors into buyers.

The main advantage of contextual advertising is a guaranteed contact of the advertising message with the target audience and its low cost. Payment is made not for the number of impressions of the advertising message, and for each transition to the page according to the link contained in the advertising appeal. That is, the advertiser pays only for the target visitors. In addition, when placing contextual advertising company has the ability to show it only to users from certain regions, eliminates deliberately inefficient link conversions, and therefore optimizes the budget.

Thus, in order to start exporting products to Romania, it is planned to sell 50,000 liters of «Weakly-gassed» and 60,000 liters of «Strongly-gassed». The goods will be delivered by road on DAF - Diakovo, Ukraine (according to Incoterms 2000). The total sum of the contract makes up 16630,55 euros (the rate at the moment of conclusion of the deal EUR / UAH - 30,0). The currency of payment is euro. Payment for the goods supplied must be made in the form of a subscription by transferring 100% of the lot price to the Seller's currency account. As the analysis of efficiency of the proposed measures within the marketing program showed, export to Romania proved to be economically expedient (profitable).

## **CONCLUSION AND PROPOSALS**

The study of the theoretical foundations of the development of a marketing program in international business allowed to formulate the following main conclusions.

When considering the essence of the marketing program, it is determined that the main activity of marketers should be the drafting of a marketing program - the most important part of the plan of business entities. Marketing is characterized by a comprehensive approach to the activities of a business entity - from product design to after-sales service. To implement it in practice, marketers must actively integrate into all phases of work.

The purpose of the marketing program and its main idea is to find and create competitive advantages.

The process of marketing planning - a simple logical sequence of actions, leads to the determination of the marketing goal and formulation of plans to achieve them.

The marketing program is an assessment of how managers perceive their own position in the markets in relation to competitors (with precisely defined competitive advantages), what goals they want to achieve and how they are going to achieve them (strategies), what resources are needed and what results are expected (budgets), after that detailed planning and costing is carried out.

Key benefits from marketing planning:

1. Higher profitability (than companies do not plan their activities);
2. Better performance.

These two main benefits derive mainly from:

- systematic search for opportunities and threats;
- identification of competitive advantages;
- readiness and ability to respond to changes;
- improved communication between performers;



- reduction of conflicts between individuals/departments;
- participation in the planning process at all levels of management;
- optimal allocation of scarce resources;
- more market-focused orientation for the entire organization.

While determining the structure of marketing program it is determined that it must include: analysis and forecast of development of the target market; existing problems and difficulties in work of the firm, its competitive advantages and disadvantages(SWOT-analysis); goals and objectives; marketing strategy; commodity policy; policy of formation and development of channels of goods distribution (organization of branches, wholesale and retail stores, network of intermediaries on sale of output, warehouse network, etc.); price policy(definition of a level and system of movement of the prices on each modification of the goods in the target market); policy of formation of demand and stimulation of sale(the plan of carrying out of advertising actions); the budget of realization of the marketing program, an estimation of its efficiency and control(volume and structure of expenses for development of the program and performance of tasks put in it, a preliminary estimation of efficiency of its realization, an order and system of the organization of control over a course of realization of the marketing program, etc.).

The main problem of planned provision of international marketing activity is the need to realize the necessity of systematic use of innovative planning-regulating technologies in the process of international marketing in conditions of actual absence of intensive forms of international interaction. The dominance of mainly extensive forms of indirect exports does not provide for the active use by Ukrainian companies of modern tools for effective international business and their creation of significant competitive advantages in the internationalized market environment.

Practical aspects of the course work topic were studied on the materials of the existing enterprise: Private Joint Stock Company «Morshinska» Mineral

Water Plant «Oscar» (PJSC MZMF «Oscar»). The main activity of the company is the production of non-alcoholic beverages. The company has been working in the domestic mineral water market since 1995. Morshinsky mineral water plant «Oscar» is a powerful innovative enterprise. Having high-tech equipment, it is one of the leaders in the field in terms of production volumes and the leader in the segment of carbonated and non-carbonated table water. But the main pride of the plant is its experienced staff using modern approaches in production organization.

The profitability of assets, equity and products of the enterprise increased in 2020, which is the best result for the last three years. This testifies to the growth of the efficiency of the enterprise's activity.

Having carried out the analysis of the internal environment of PJSC MHMF «Oscar», the strengths and weaknesses of such factors as: market share, product quality, state of the sales system, quality of advertising, availability of brands, product range, production capacity, availability of sources of raw materials, production costs, profitability of capital, organization of production, the volume of investments in production, turnover of current assets, solvency of the enterprise, motivation of employees, staff turnover, managerial personnel, personnel policy, and the management of the company were determined.

In accordance with its official duties, the marketing activity at the PJSC MHMF «Oscar» is carried out by the Marketing Department, in which works: a leading marketer, marketing specialist, advertising manager. To sell its products, the PJSC MHMF «Oscar» uses indirect distribution channels. The company uses a vertical distribution system, which allows controlling and coordinating its activities, establishing strong contacts with consumers, receiving complaints and suggestions. Of all known forms of vertical coordination, the enterprise under investigation uses contractual, namely, franchise (contract) vertical marketing system, created to save on sales expenses. Such organization of distribution of products of this enterprise is quite effective, because attracting a distributor

allows reducing costs and keeping a sufficiently low price of products, the level of customer service increases based on the experience and specialization of the intermediary.

Domestic mineral water producers, in particular PJSC MHMF «Oscar», work mainly for the domestic market. The mineral water industry in Ukraine is characterized by weak export orientation. The main export destinations for mineral water sales are Moldova and Russia. The export potential is almost not used, although it is quite significant. We have a large market of the European Union, where the average consumption of mineral water per capita is 3-4 times higher than in Ukraine. But in order to sell their products in Europe Ukrainian producers need to certify them. Marketing plan of PJSC MHMF «Oscar» is like a map: it must show where the company is at the moment, where it is going and how it is going to get there.

Evaluation of sales promotion in PJSC MHMF «Oscar» allowed to identify the relevant aspects of the direction of sales promotion. One of the promising areas of sales promotion is the development of marketing relations. Its task is to establish long-term relations of the enterprise with consumers and suppliers. At that, attention should be paid to: 1. establishment of mutual reliability, stability of relations of formal (business) character; 2. implementation of direct contacts, development of partnership, etc. in the sphere of relations of informal character.

When substantiating the choice of marketing program in international business, the structure of the strategic marketing program of the company's foreign economic activity consists of three interrelated blocks: the objectives of the company, the strategy of economic portfolio development and growth strategy of PJSC MHMF «Oscar».

It is possible to allocate three directions of growth of the enterprise - intensification of existing possibilities, joining of efforts with other firms and entrance of the enterprise into other spheres of activity. The choice of growth direction determines the choice of marketing concept: intensive growth;

integrative growth; diversification. Strategy of deep penetration into the market is most typical for PJSC MHMF «Oscar». Exactly due to the use of this strategy, it is possible to gain significant profits, to increase sales volumes as well as to expand the number of potential consumers.

Marketing activity of the PJSC MHMF «Oscar» is subordinated to solution of two groups of tasks: practical implementation of the plant's strategy of entering new markets with competitiveness, high quality products and creation of mobile and flexible system of interaction of functional services with customers and potential consumers produced by the PJSC MHMF «Oscar». This principle is the basis for development of functional responsibilities of the specialists of marketing structures of the enterprise.

Entry of the firm into the international marketing activity assumes that it is ready to observe five basic rules of conducting business in other cultural environment: to be ready to perception of another's culture: to study the history of the country, its culture, business etiquette, folklore, system of political structure, daily interests of buyers; to understand rhythm of life. Remember that not all countries are equally attentive to time, and delay is considered disrespect for the partner; be ready and able to establish personal long-term and trusting relationships with foreign partners; speak the language of the foreign partner; respect the traditions of the country, comply with the norms and rules of conduct adopted in it.

Thus, in today's environment, when companies enter foreign markets, a number of problems become more acute: competition intensifies, risks increase in comparison with national activities, product quality requirements increase, and the dependence of successful product promotion on the depth of understanding of the foreign market features increases.

After carrying out research, Romania was chosen as a new importer of PJSC MHMF «Oscar» products, because the company's products are not yet represented in this country. Experts characterize the Romanian market as one in

which there is a fairly high level of demand for soft drinks, and national producers are not able to satisfy it completely.

After the research, the company «Rainbow» Ltd. was chosen as a partner, which is engaged in wholesale and retail trade and has been operating on the Romanian market for several years.

To start exporting products to Romania it is planned to sell 50,000 liters of «Weakly-gassed» and 60,000 liters of «Strongly-gassed». The goods will be delivered by road on DAF - Diakovo, Ukraine (according to Incoterms 2000). The total sum of the contract makes up 16630,55 euros (the rate at the moment of conclusion of the deal EUR / UAH - 30,0). The currency of payment is euro. Payment for the goods supplied must be made in the form of a subscription by transferring 100% of the lot price to the Seller's currency account. As the analysis of efficiency of the proposed measures within the marketing program showed, export to Romania proved to be economically expedient (profitable).

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## Annex

## Annex A

**Consolidated analytical balance of PJSC MHMF «Oscar» for 2018-2021  
years, thousands, UAH.**

Asset	Row code	2018	2019	2020	2021
<b>I. Non-current assets</b>					
Intangible assets:	1000	12634	16866	12433	6734
initial value	1001	16499	23186	23447	20414
accumulated depreciation	1002	3865	6320	11014	13681
Incomplete capital investment	1005	15764	227926	387255	377532
Fixed assets:	1010	298039	320207	684083	700470
initial value	1011	631133	695876	1112955	1195369
wear and tear	1012	333094	375669	428872	494899
Long-term financial investments	1030	9188	579	89	38
Deferred tax assets	1045	12223	11623	12122	12642
Other non-current assets	1090	852			
<b>Total, section I</b>	<b>1095</b>	<b>348700</b>	<b>577201</b>	<b>1095982</b>	<b>1097416</b>
<b>II. Current assets</b>					
Stocks:	1100	127659	106669	153257	220192
including finished products	1103				
Current biological assets	1110				
Accounts receivable for goods, works, services	1125	157	1254	868	601
Accounts receivable for payments on advances issued	1130	3697	23374	23543	23713
Accounts receivable from the budget	1135	726	38654	18824	9167
from internal calculations	1145	7902	86629	9004	936
Other current receivables	1155	226	919	1551	2618
Current financial investments	1160				
Money and their equivalents	1165	34567	49053	206305	867669
Expenses of future periods	1170	12716			
Other current assets	1190	2731			
<b>Total, section II</b>	<b>1195</b>	<b>190381</b>	<b>306552</b>	<b>413352</b>	<b>1124896</b>
<b>III. Non-current assets held for sale and disposal groups</b>	<b>1200</b>				
<b>Balance</b>	<b>1300</b>	<b>539081</b>	<b>883753</b>	<b>1509334</b>	<b>2222311</b>

## Annex Continuation A

Passive	Row code	2018	2019	2020	2021
<b>I. Equity</b>					
Registered (share) capital	1400	8800	8800	8800	8800
Capital in revaluation	1405	814			
Additional capital	1410	654	654	654	654
Reserve capital	1415	1320	1320	1320	1320
Retained earnings (uncovered loss)	1420	408245	625365	767631	1000835
Unpaid capital	1425				
<b>Total, section I</b>	<b>1495</b>	<b>419833</b>	<b>636139</b>	<b>778405</b>	<b>1011609</b>
<b>II. Long-term commitments, targeted financing and security</b>	<b>1595</b>		<b>107679</b>	273080	<b>595487</b>
<b>III. Current liabilities</b>					
Short-term bank credits	1600				
Current accounts payable for:	1610				
long-term commitments			12665	53706	72503
goods, works, services	1615	31487	56480	142403	224953
budget calculations	1620	8837	21484	9813	14249
including income tax	1621				
insurance calculations	1625	661	804	1262	1634
payroll calculations	1630	2480	3076	4460	5573
arrears of advances received	1635			456	
from internal calculations	1645	52181	3686	213962	252715
Other security	1660	22869	41717	31765	43576
Deferred income	1665				
Other current commitments	1690	733	23	22	12
<b>Total, section III</b>	<b>1695</b>	<b>119248</b>	<b>139935</b>	<b>457849</b>	<b>615215</b>
<b>IV. Liabilities related to non-current assets held for sale and disposal groups</b>	<b>1700</b>				
<b>Balance</b>	<b>1900</b>	<b>539081</b>	<b>883753</b>	<b>1509334</b>	<b>2222311</b>

## Annex B

**Summarized analytical report on the financial results of PJSC MHMW****"Oscar" for 2018-2021, in thousands, UAH.**

Article	Row code	2018	2019	2020	2021
Net income from sales of products (goods, works, services)	2000	121585 6	153001 7	136650 2	163200 1
Value of products (goods, works, services) sold	2050	107731 5	116435 5	105557 4	118675 6
Gross profit	<b>2090</b>	<b>138541</b>	<b>365662</b>	<b>310928</b>	<b>445245</b>
Other operational income	2120	20664	30094	17769	21319
Administrative expenses	2130	35609	38219	42031	53450
Sales expenses	2150	22915	34392	39768	56813
Other operational expenses	2180	20266	36186	1364	1531
Financial result from operations	<b>2190</b>	<b>80415</b>	<b>286959</b>	<b>245534</b>	<b>354769</b>
Other financial income	2220	66	72	66	70
Other income	2240	112	407		
Other financial expenses	2250		324	6620	5884
Other expenses	2270	418	2784	64847	63514
Financial result before taxation (2280 - 2285)	<b>2290</b>	<b>80175</b>	<b>284330</b>	<b>174133</b>	<b>285441</b>
Income tax	2300	14656	51497	31867	52237
Net income (loss) (2290 - 2300)	<b>2350</b>	<b>65519</b>	<b>232833</b>	<b>142266</b>	<b>233204</b>

Material costs	2500	951124	994166	834647	918953 ,5
Labor costs	2505	61887	76134	109964	161010 ,7
Social expenses	2510	12603	16276	23571	35939, 04
Depreciation	2515	56956	52333	85131	98645, 94
Other operational expenses	2520	60009	84366	84196	106761 ,2
<b>Total</b>	<b>2550</b>	<b>114257 9</b>	<b>122327 5</b>	<b>113750 9</b>	<b>132131 0</b>

## Annex C

**Goals of marketing program**

Types of marketing program goals	Time frame of achievement	Description of marketing program objectives
1	2	3
Short-term goals	Short-term goals are defined for the near future - from 1 month to 1.5 years	Short-term objectives: quickly return the money invested in production to ensure the survival of the enterprise; in a short time to achieve a stable position in the market in order to maintain the competitiveness of the enterprise; maximize current profits, fast cash flow. The latter goal can be pursued in two cases. First, to deploy, for example, the production of new goods. Second, to get money quickly before the company survives the market. Such a goal can be pursued in the case of information about the imminent disappearance of demand for the goods produced by the firm, as a result of competitors' development of a fundamentally new product that meets the same needs as the product of the firm; to carry out their own development is no longer either time or money.
Medium-term goals	Medium-term - from 1.5 to 5 years	A medium-term goal option: to gain a greater share in this market, because the higher the share occupied by the firm in this market, the higher the rate of profit it receives. This goal can be pursued in case similar products of competitors appear on the market. The firm's share in the commodity market is the share of sales attributable to this firm in the total volume of sales of this product in this market.
Long-term goals	Long-term - more than 5 years.	The long-term objective will be, for example, to ensure or maintain leadership in quality indicators. In principle, each firm should pursue this goal in the long term. If this is not the case, then this company only seeks to make a profit, not focusing on the buyer and not caring about his future. A vivid example of not following this goal is the activity of financial pyramids.

Source: [22]

## Annex D

**Information about obtained licenses (permits) for certain types of activities  
of PRJSC MMWF «Oskar»**

Type of activity	License (permission) number	Date of issue	The state body that issued	License (permission) expiration date
1	2	3	4	5
Special permit for subsoil use	3355	27.07.2004	State Committee of Natural Resources of Ukraine	27.07.2024
Description	extraction of mineral natural table waters			
Special permit to use subsoil	6012	24.12.2014	State Service for Geology and Mineral Resources of Ukraine	24.12.2034
Description	extraction of mineral natural table waters			
Acquisition, storage, use of precursors	40	07.07.2016	State Service of Ukraine on Drugs Control	07.07.2021
Description	acquisition, storage, and use of precursors			
Special permit for subsoil use	5978	05.09.2014	State Service for Geology and Mineral Resources of Ukraine	05.09.2034
Description	extraction of mineral natural table waters			
Special permit for subsoil use	4727	03.02.2016	State Service for Geology and Mineral Resources of Ukraine	03.02.2021
Description	geological study, including pilot development of the Lotatniki №2			
Special permit for subsoil use	6301	01.12.2018	State Service for Geology and Mineral Resources of Ukraine	05.12.2038
Description	extraction of mineral natural table waters			

Source: Reporting data of the company

## Marketing program of PJSC MHMW «Oskar»

<b>Goal</b>	<b>Enter a new foreign market by May 2022</b>				
<b>Analysis</b>	<b>Task</b>	<b>Deadline</b>	<b>Responsible</b>	<b>Document</b>	<b>Preliminary budget</b>
	Comprehensive market analysis	30-60 days	Contractor, outsource marketer	Report	90000
<b>Tools for Achievement</b>	<b>Task</b>	<b>Deadline</b>	<b>Responsible</b>	<b>Document</b>	<b>Preliminary budget</b>
	Development and implementation of advertising strategy	30-90 days	Contractor, outsource marketer	Report	250000
	Development of the PPM	10 days	Marketer	Document	
	Selection of advertising channels	10 days	Marketer	Document	
	Development of creative	10 days	Designer, Marketer	Template	20000
	Updating the site	5-15 days	Marketer		20000
	Connecting coltracking	5 days	Marketer	Report	10000
	Product line placement	5 days	Contractor	Report	5000
	Banner creation	5 days	Marketer	Template	5000
	Defining marketing communications	5 days	Marketer	Document	
	Contacts collection system	indefinitely	Marketing Department	Document	
	Creating promotion strategy in social networks	indefinitely	SMM	Group sales	25000
	Merchandising at retail outlets	5 days	Marketer	Document	
<b>Other</b>	<b>Task</b>	<b>Deadline</b>	<b>Responsible</b>	<b>Document</b>	<b>Preliminary budget</b>
	Budget reserve			Report	
	Sales tracking			Report	
<b>Budget</b>					425000

Source: compiled by the author