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10. International marketing activity: theoretical, methodological and practical aspects

10.1 The essence and features of international marketing activity

In the modern conditions of globalization, there is a need for national companies and enterprises to more effectively use the principles of international marketing activities in order not only to work in foreign markets, but to be competitive and to have the opportunity to carry out activities efficiently and profitably on a global scale. The strengthening of the globalization of production leads to the globalization of the entire complex of marketing activities of the enterprise and requires the development of various marketing programs for the markets of foreign countries. The development of the globalization process, the intensification of the international activities of companies, enterprises, and organizations and their aggressive penetration into new international markets, the strengthening of competition between manufacturers on a global scale have led to companies' awareness of the importance of studying and using international marketing for effective functioning in foreign markets.

The term "international marketing" refers to the activities of international firms and enterprises, the sphere of production and commercial activity of which extends to foreign countries [136, p. 7]. The term "international marketing" itself is quite common, but there is no definition of it in the scientific literature. The available foreign and domestic literature on international marketing issues in most cases does not highlight the definition of the concept of "international marketing", although all marketing researchers pay attention to this issue and note the need to distinguish it as a branch of science and a specific field of activity. This situation can be explained by the fact that the majority of foreign and domestic scientists consider international marketing to be a part of the marketing system and do not see the need to define it separately. Along with this, another group of scientists, on the contrary, considers it necessary to give a separate definition of international marketing. Also, the definition of the essence of international marketing is significantly influenced by the diversity and ambiguity of the views of scientists regarding the essence of marketing itself. Accordingly, the concept of marketing should form the basis for clarifying the concept of international marketing. International marketing is developing dynamically, in connection with which the understanding of its essence is expanding and changing somewhat.

The most common interpretation of the essence of international marketing is the definition of scientists J. Evans and B. Berman: "International marketing is the marketing of goods and services outside the country where the organization is located" [137, p. 310]. The same definition of international marketing is given by domestic scientists in their scientific works, in particular: M.I. Belyavtsev, L.M. Ivanenko [138, p. 37], V.M. Havva and F.I. Evdokimov [139, p. 221], O.P. Lucius [140, p. 3] and others. Domestic scientists L.V. Balabanova [141, p. 73], S.S. Harkavenko [142, p. 39] and T.M. Tsygankova [143, p. 3]. They consider international marketing as "a firm's marketing activities across national borders or in foreign markets." The same opinion regarding the definition of the essence of international marketing is held by foreign scientists, in particular: G. Albaum, G. Mirakl [144, p. 4], E. Kainak [145], Van Mesdag M. [146, p. 74], V. Terpetra [147, p. 81] and others.

Many scientists offer in their scientific works several definitions of international marketing at the same time, considering its essence from different angles. These include Ukrainian scientists V.E. Novytskyi and T.M. Lozynska Domestic scientist V.E. Novytsky considers international marketing as "a system of organizing the activities of the subjects of the production sphere, which contributes to the optimization of the functional combination of production goals and the current needs of international consumers, the collision of private interests in all spheres of internationalized economic life - production, intermediary, consumer" [148, p. 42]. According to the scientist, thanks to such a system, it is possible to achieve optimal indicators of entrepreneurial activity - profit, profitability, technical and resource support, etc. According to another definition of this scientist, international marketing is "an important condition for the establishment of an effective inverse relationship between supply and demand on an international scale, is a kind of guarantee that the manufactured products, which will pass through all stages of the production process, will find their way to the end consumer by border" [148, p. 42].

Also, several definitions of international marketing are given by the domestic scientist T.M. Lozynska According to one of its definitions, international marketing is directly the "feedback between supply and demand on an international scale" [149, p. 9]. According to another definition of the scientist, "international marketing involves a unique approach to making production decisions from the position of optimal combination of meeting the needs of local and foreign consumers" [149, p. 9].

Taking into account the development of processes of globalization in the world economy and internationalization, scientists are changing their views on the essence of international marketing. An example of this is the definition of the Ukrainian scientist O.L. Kanishchenko, who defined international marketing only as a "theory of managerial decision-making based on the analysis of factors of the international market environment" [150, p. 261]. From this definition, it can be concluded that the author considered international marketing only from a theoretical point of view. However, the scientist later gave another definition: "International marketing is the provision of the process of planning and entrepreneurial activity outside national borders in order to create the most favorable conditions for business" [151, p. 5].

The founder of marketing science, the American scientist Philip Kotler, does not give a specific definition of international marketing, but only indicates its features and notes that "international marketing is engaged in by firms involved in foreign economic activity." According to the scientist, in order to engage in international marketing, you need to "learn a foreign language, deal with an unfamiliar currency, face political and legal uncertainty, and even the need to adapt the product to meet unusual consumer needs and requests" [152, p. 572].

In the modern conditions of the development of communications and globalization, scientists Ph. Kotler and G. Armstrong consider international marketing more globally and connect it with the activities of global companies. A global company is a company that, working in several countries, achieves such advantages in research, production, marketing and finance that are unavailable to their "domestic" competitors

[153, p. 1026]. A global company considers the whole world as a single market, increases the size of real capital, "picks up" raw materials and components around the world, produces and sells its goods wherever they can bring profit.

Table 1.

Stages of development (forms) of international marketing

No	Stages (forms)	Essence
1	Traditional export (traditional export)	Deliveries of products abroad without further marketing support: the exporter is responsible for the products to the buyer only until the moment of sale.
2	Export marketing (export marketing)	Marketing activities related to the sale of goods outside national borders, while the exporter studies the foreign market, adapts production to the requirements of this market and tracks the way of the goods to the final consumer.
	Import marketing	Marketing activity of the enterprise regarding the import of goods
3	Foreign economic marketing International marketing (international marketing)	Marketing activity of the enterprise in foreign markets, which includes not only trade operations, but also other forms of activity, in particular: creation of branches, representative offices, subsidiaries, joint ventures, scientific and technical exchange, contract production, transfer of licenses, etc.
4	Multinational marketing (multinational marketing)	The marketing activity of the firm in many different countries or on many foreign markets, which proceeds from the fact that each market is unique and the firm must adapt as much as possible to the national characteristics of an individual foreign country, adapt to the characteristics of a specific market.
5	Multiregional marketing (multiregional marketing)	Marketing activities of the firm in large regions (groups of countries), while the firm considers the totality of the markets of the countries of one given region as a single one and must adapt (adapt) to its specific local environment (national features of the given region).
6	Global marketing (global marketing)	The company's marketing activity is on the scale of the world economy as a whole, while the world economy is considered as a single market - a global market, the needs of which can be satisfied with a standardized product, using similar tools of marketing communications and sales. This type of operations is typical for transnational corporations

Source: determined and generated by the author

Currently, in the works of scientists, more and more attention is paid to the activities of global companies and global marketing, which is considered the highest form (or stage of development) of international marketing. Forms (stages of development) of international marketing are distinguished depending on the degree of internationalization of the enterprise or company (Table 1).

Having analyzed the content of the definitions of international marketing, it can be stated that there is no single definition of the content of international marketing in scientific economic literature, the interpretation of its essence by scientists is different and contradictory. In most definitions of international marketing, a simplified approach to defining its essence is characteristic. This trend is characteristic of the initial stage of the formation of the theory of international marketing in the works of foreign researchers and domestic scientists.

However, it should be noted that as the analysis shows, the definitions of international marketing are constantly changing, becoming more complicated and updated. As a result of the analysis of the evolution of the content of international marketing in the studies of foreign and domestic scientists, three trends can be identified in the process of forming its definition:

□ on the one hand, there is a gradual expansion and complication of definitions that take into account various aspects of the company's international activities;

□ on the other hand, a significant part of scientists still continues to use rather narrow definitions of international marketing;

□ there is also a third trend - some scientists do not give a separate definition of international marketing at all, but emphasize only the differences in the international environment or emphasize the generic commonality of international and national marketing.

On the basis of the given and considered definitions, the author's definition of international marketing was formulated and proposed (Figure 1). In our opinion, international marketing is a philosophy of business activity and a toolkit used by an enterprise in the markets of foreign countries in order to satisfy the needs of foreign buyers in products that are developed or modified, produced and offered taking into account the existing and future requests of foreign buyers, the characteristics of foreign markets, activities of competitors, as well as aimed at more effective provision of long-term interests of the enterprise. International marketing orients the enterprise's scientific-technical and production-marketing activities to the needs of specific national markets, and also expresses the scale of the enterprise's foreign activities.

The philosophy and tools of international entrepreneurship, the process of development and decision-making in the network of relationships (communications) between international forms (legal or natural persons) that are involved in the process of commercial or non-commercial exchange of goods or services

Philosophy and at the same time intellectual technology of international business, which has a cumulative and synergistic character, under the influence and through which in the form of material and non-material exchanges, which are modified by the international environment, marketing communications are created and developed, as a rule, which cross state borders, ensure the satisfaction of commercial or the non-commercial interests and needs of the parties to these exchanges

The market concept of managing the activities of an international company, which is based on the principles of the organization of production and sales of products for foreign buyers, which is developed and promoted taking into account both the existing and future needs of foreign markets in order to most effectively ensure the long-term interests of the company

The philosophy of business activity and the tools used by the enterprise in the markets of foreign countries in order to meet the needs of foreign buyers in products that are developed or modified, produced and offered taking into account the existing and future requests of foreign buyers, the peculiarities of the environment of foreign markets, the activities of competitors, as well as directed to more effectively ensure the long-term interests of the enterprise

Figure 1 . Defining the essence of international marketing

Source: determined and generated by the author

A significant part of marketing theorists and practitioners are unequivocal that there are no differences between marketing in domestic and foreign markets, because the same approaches and methods are used. International marketing, on the one hand, is based on the principles of national marketing and has a similar structure. On the other hand, international marketing is specific, dealing with foreign trade and currency transactions, foreign and international legislation. Sometimes the differences between countries can be very significant. Companies and enterprises that have started international activities need to learn to navigate in a specific foreign environment. It is important to understand the main motives of the behavior of foreign buyers and, based on this, to determine the reaction of the target audience to the implementation of the company's marketing policy in the foreign market.

So, you need to define the differences between domestic and international marketing. And although there are no significant differences between them, the specifics of the functioning of foreign markets and the conditions of work on them give international marketing specific features. In particular, the American marketing scientist U. Keegan singles out three aspects that distinguish marketing activities in the domestic market from international ones, namely:

- peculiarities of the foreign marketing environment;

- the process of crossing national borders with a product, price, or any aspect of an advertising campaign, product promotion program, or sales promotion;

- the third feature arises as a result of the fact that the company simultaneously carries out marketing of its goods in more than one national environment [154, p. 41].

Specifics of international marketing:

✓ a more complex and time-consuming process of studying foreign markets, their opportunities and requirements compared to the study of the domestic market, as well as related to setting and solving new tasks, setting and achieving new goals;

✓ the existence of certain features of the company's entry into foreign markets, which is associated with the presence of non-traditional and higher risks for the company in foreign markets than in the national market;

✓ the difference is manifested in the specifics of the impact on the production and sales of products: during the implementation of international marketing, a specific mechanism is created that provides impulses from the foreign market to establish and expand the production of the necessary types of products, the necessary range of products, while when starting its activities on the domestic market, the company sometimes tries sell what is already available or the company already knows the tastes and requirements of consumers in advance;

✓ the sphere of activity of international marketing is foreign and international markets, which are distinguished by a special specificity of activity, while internal marketing covers domestic-national market processes known to the enterprise;

✓ a lower scale of coverage of international marketing objects, which is understood as the number of names of products and services, types of products, as well as the number of certain names of goods that are on the relevant market: the number of names of goods that are produced and exported to the international or foreign market, as a rule, it is much smaller compared to the production and sale of a range of goods on the domestic market.

Table 2.

Comparison of the concepts of "national marketing - international marketing"

National marketing	**International marketing**
Formation, maintenance and development of competitive advantages in the "R&D-production-sales-service" system in the conditions of this country	Formation, maintenance and development of competitive advantages in the "R&D-production-sales-service" system based on the use of opportunities of different countries and international cooperation
Finding means of business development and turning them into competitive advantages of the company in the middle of the country	The search for means of business development and their transformation into competitive advantages of the firm in a number of countries and in the context of interstate relations
Marketing develops a strategy for economic growth and development of the company in the middle of the country	Marketing develops a strategy for economic growth and development of the company with the involvement of many countries
Marketing does not take into account the culture of the environment, since the object of management is adapted to it from the very beginning	Thanks to the cultural factor, marketing receives significant opportunities and the development of competitive advantages
Marketing seeks and uses competitive means within the country; limited by the level of development	Marketing seeks and uses competitive advantages through globalization ("global business - service")
Profit opportunities that exceed costs in a given country	Earnings opportunities that exceed costs many times over
Sales market within the given country	Expansion of sales markets outside the country

Source: determined and generated by the author

Considering the specifics of international marketing, it is possible to highlight other features and characteristics that distinguish international marketing from national marketing (Table 2).

The main principle of international marketing is the orientation of the final production results to the real requirements and wishes of foreign consumers, taking into account their social, national, psychological, cultural and other characteristics [155, p. 18]. International marketing is based on taking into account the specifics of foreign markets; features of international trade; economic, political-legal, socio-cultural characteristics of the countries under study. In accordance with these principles, the requirements that must be taken into account by enterprises when entering a foreign market and carrying out international marketing arise:

- The need to consider the influence of national governments on commercial activity. Generally, governments tend to encourage exports and restrict imports to balance their countries' balances of payments. The stability of national currencies and the level of inflation depend on such measures. Accordingly, the enterprise (firm) must carefully monitor the legislation of foreign countries and the reaction of their governments to the activities of foreign enterprises;
- The need to take into account political risks associated with the company's activities in foreign countries. When exporting products or creating joint ventures, the enterprise (firm) risks losing its assets, if political instability in the country can lead to the confiscation of goods, damage to stocks, restrictions on the export of profits, etc.;
- The need to analyze national currency systems, the situation and problems with the conversion of the national currency: if the currency of the country where the enterprise (firm) carries out its commercial activities is unstable and subject to devaluation, the risk of financial losses increases significantly;
- The need to take into account the independence of a foreign state and the possibility of changing its national borders when conducting international marketing activities. National borders affect the competitive situation in the country, transport, customs costs of the enterprise, etc.;
- The need to take into account the diversity of market conditions. The situation in the markets of foreign countries can be quite different: for goods that are in high demand in one country, in another, the demand may be completely absent or quite low, which will make their additional production and sale in this market unprofitable;
- Necessity of mandatory consideration of national, religious traditions; cultural and linguistic features, as well as tastes and habits of consumption of goods (services) in different countries;

- The need to analyze and take into account differences between countries that are manifested in the organization and dynamics of market development, in particular: differences in the organization of the distribution network, traditions of business negotiations, conditions for providing financial resources, loans, etc.;
- The need to meet the requirements of the buyer not only in compliance with the accepted terms of sale of goods in this market, but also of crucial importance is the development and production of such goods that, even after a certain period of time after entering the market, would be distinguished by high competitiveness;
- The need to take into account the existing significant differences between countries in the development of communication tools, since to present their products on foreign markets, enterprises quite widely use new modern computer and telecommunication technologies, which exert a significant influence on international marketing activities;
- The need to apply more significant targeted efforts, more detailed observance of the principles and methods of modern marketing than in the domestic market, since foreign markets make high demands on the products offered on them, their quality, service, advertising, etc.;
- The need for detailed research, study of foreign markets and their opportunities is an important starting point in marketing activity, but it is more complicated and time-consuming than studying the domestic market;
- The need to organize and implement a system of effective monitoring of foreign markets, which have interested the company, for conducting international marketing activities;
- The need for the ability to develop and apply various methods of researching consumer behavior in the foreign market, collecting the necessary information that could correspond to all possible cases;
- The need for creative, flexible use of marketing tools and tools, taking into account the current situation, the forecast of market development, the nature of the goods offered on these foreign markets;

- The need to build and implement a system of rapid response to non-standard and specific requests of foreign buyers, requirements of partners, intermediaries;
- The need to build an appropriate management structure that would allow monitoring and controlling the effectiveness of the measures taken, despite the difficulties associated with differences in reporting forms, features of the "cultural" order in enterprise management.

All of the listed conditions, features and requirements of international marketing significantly complicate the management activities of companies and enterprises, require the involvement of additional financial resources, high qualification and responsibility of executors. This allows us to recognize international marketing as more complex, which covers a large number of factors, compared to national marketing.

10.2 Structure and strategies of the international marketing complex

The marketing complex is one of the fundamental categories of modern marketing. The marketing mix refers to the main marketing tools [138, p. 38]. Scientist McCarthy described them using the "4 P" concept: product, price, place, promotion. McCarthy's model initiated the development of scientific research on marketing as a field of enterprise activity, as well as a separate system of scientific knowledge on business management. This model has been developing, but its finished form is not available at the moment. The definition of McCarthy or the concept of "4 P" was not the only attempt to systematize knowledge in the field of marketing and classify a significant number of factors and factors affecting demand. However, from a significant number of schemes and models proposed in the 1960s, only McCarthy's classification became truly universally accepted.

The American scientist Ph. Kotler defines the marketing complex as "a set of marketing tools that are subject to control - product, price, methods of distribution and promotion of the product - a combination of which the company uses to obtain the desired reaction of the target market" [153, p. 118]. The marketing mix, according to the scientist, includes everything the company can do to influence the demand for its product. Numerous possibilities need only be divided into four groups - "4 Ps": product, price, place, promotion, which are the main elements of the marketing complex (Figure 2). It should be noted that product, price, place and promotion are singled out and formed into a complex primarily because their use has a direct impact on demand and consumer behavior in the market. In addition, these elements can be managed, that is, they are manageable, subject to control, and also indicate the sequence of implementation of the main marketing functions.

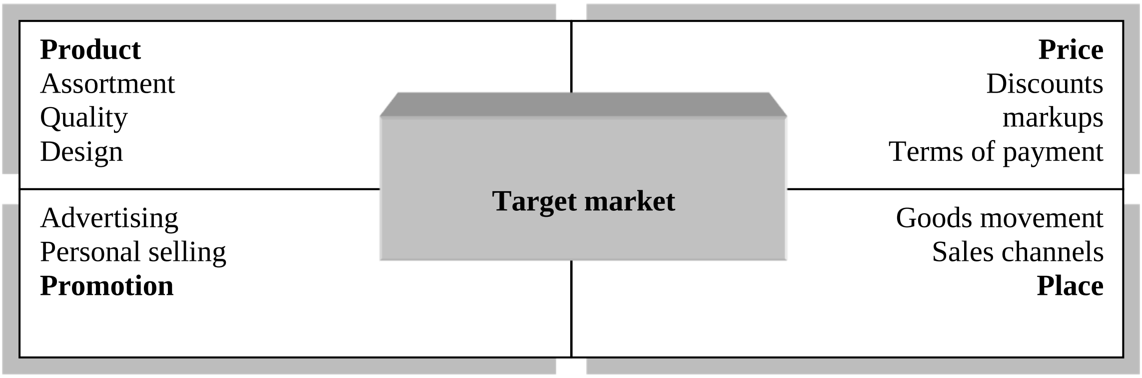

Figure 2. Marketing complex in the "4 P" concept, [153]

Currently, there are other views in the scientific literature regarding the number of components of the marketing complex. In particular, domestic scientists V. Kramarenko and B. Kholod suggests considering the structure of the marketing complex somewhat more broadly - already from five components. They believe that since marketing has become a means of mutual communication of customer needs and created goods that satisfy these needs, its mandatory element should be "people" and their concept is called "5 P" [156 , p. 9].

In trade marketing, in addition to the additional "people", "presentation" is used, which means not only the presentation of the product, but also the design of the place of sale. Currently, this additional element refers to merchandising, which combines the entire set of measures to affect the consumer at the point of sale.

In the theory of service marketing, considerable attention is paid to mutual relations, development of networks and interaction - this approach was called "partnership marketing" (relationship marketing). In this case, the additions "4 P" to "7

P" are used to denote participants, physical evidence, process process. Participants include employees of the company and customers who participate in the process of providing the service and, thus, affect its quality, current and future purchases. By physical attributes is meant the environment of the enterprise in the service sector, physical goods and symbols used in the process of communication and production. The process refers to all the procedures, mechanisms, dynamics of activity and interaction during which the production of the service is carried out and contact with the client takes place. Within this approach, not only the seller, but also the buyer is considered as an active market participant; the seller views the buyer as an equal partner, and both parties should benefit from such a relationship.

Scientist I. Riabchyk cites the marketing complex, which consists of seven elements, namely: product, price, packaging, promotion, place, people, personal selling. According to him, the system of mix-marketing is "a set of techniques and methods used by the enterprise to achieve the set goal and solve the relevant problems" [157, p. 12]. All elements of the "7 P" concept have their own subsystems, and their functioning requires the adoption of many strategic and tactical decisions, which depend on the activity of the enterprise in modern conditions.

A number of foreign scientists in their scientific works also cite an expanded marketing complex. Scientists D. Booms and M. Bitner propose to include the following three elements in the traditional marketing mix ("4 P" concept): people, process and physical evidence [138, p. 39].

The evolution of the marketing-mix concept in the direction of its internationalization is presented in Figure 3 , where the internationalization of the "4P" concept is considered, taken from the works of the most famous foreign scientists: Jerome McCarthy, Philip Kotler, John Gale and Stanley Palivoda. It should be noted that Stanley Palivoda introduced the most extensive complex of international marketing, which consists of nine elements - the "9 P" concept. For a better understanding of the features of this approach, he reveals individual elements of the "9 P" concept. The author notes that strength is the resource characteristics of the company itself, as well as the influence of internal and external (target) markets mastered and developed by it. The process involves interaction with competitors and the evolution of forms of foreign economic activity: from export/import operations to foreign direct investments. Precedents, the scientist believes, include political, legal, social and commercial decisions that are beyond the control of the company's management, which, unlike the "4 Ps", are variables that are not subject to control and can affect the development of the company's international activities in future.

J. McCarthy	**Ph. Kotler**	**J. Gale**	**S. Palivoda**
marketing mix		*international marketing mix*	
Product	Product	Product	Product/service
Price	Price	Price	Pricing
Place	Place	Place	Place of sale
Promotion	Promotion	Promotion	Promotion
	Public opinion	People	People
	Politics	Politics	Precedents
		Profit	Power
			Process
			Planning

Figure 3. Evolution of the concept of marketing mix, [158, p. 197]

In general, according to scientists, shown in Figure 3 evolution of the concept marketing-mix clearly reflects the course of development of theoretical thought in Western economic literature, which concerns the internationalization of the "4 P" concept. In our opinion, such an expansion of the elements of the international marketing complex is not always appropriate, since the basic principle of the formation of the marketing complex is violated. In addition, additional elements of the international marketing complex cease to be managed by international marketing management tools.

Scientist T. Tsygankova considers the international marketing complex as "a system of tools, methods, techniques, approaches to the product, price, promotion, distribution channels, the use of which is aimed at forming competitive advantages in the target segment or a certain foreign market" [143, p. 77]. In her opinion, the elements of the international marketing complex are: product, price, promotion and distribution channels, that is, traditional elements of the "4 P" concept. Thus, T. Tsygankova adheres to the traditional point of view regarding the international marketing mix and its elements.

Having considered different approaches to defining the concept of the marketing complex and the number of its elements, we can conclude that the international marketing complex is the main component of international marketing activities. In the most commonly used form, the international marketing mix includes four elements - the "4 P": product, price, place, and promotion. However, in the scientific literature, the list of elements is supplemented by several more so-called "P" elements. As research has shown, in modern economic literature their total number is more than 16 elements. The mentioned elements of the marketing mix both in science and in practice are considered "tools" or "means" of marketing and are necessary for active influence on the target market. We adhere to the views of the majority of scientists and believe that the complex of international marketing in general should include four traditional elements, namely: product, price, place and promotion.

When entering a foreign market, each company decides on the development of an international marketing complex. The need for its detailed development in international activities is due to a number of reasons, in particular: the peculiarities of a foreign country; specifics of activity on foreign markets; consumer requirements and habits; various forms of activity on the foreign market; cultural factors, etc. For the successful functioning of the enterprise in the foreign market, it is necessary to approach the development of the international marketing complex very carefully, while the enterprise must develop the most profitable and effective complex for it. The need to develop a different complex of international marketing determines the need to make a decision not only for the entire marketing complex as a whole, but also separately for each of its elements.

Many foreign and domestic scientists distinguish a standardized and adapted complex of international marketing. The use of each of them leads to certain positive results. In particular, the implementation of a standardized complex provides the following benefits [159]:

- savings in production and marketing due to savings in funds for the creation and implementation of programs for updating the assortment, conducting advertising campaigns, selling products, etc.;
- the possibility of transferring and using accumulated experience, successful ideas for goods, promotion and distribution in other countries;
- creating a global image around the world;
- ensuring centralized coordination and control over the company's marketing activities in different countries, etc.

When implementing an adapted complex of international marketing, the enterprise receives the following advantages:

- strengthening the competitive position of the enterprise in each foreign market due to more complete adaptation of products, methods of their distribution and promotion to the requirements of local consumers;
- reducing the risk of losing a certain target market thanks to the implementation of an adapted program for its development and obtaining more complete marketing information about it;
- the possibility of expanding the share of each foreign market and obtaining a higher level of profit in comparison with the use of a standardized complex of international marketing, etc.

However, despite the above-mentioned advantages, the standardization strategy has certain unsatisfactory aspects. First, it is "far" from universal acceptability for all goods and enterprises. Standardization is a successful strategy for operating in foreign markets only under certain conditions, namely:

- the existence of a market segment of consumers with the same characteristics;
- the availability of communication and distribution infrastructure to reach the enterprise's target customers around the world.

Secondly, the standardization strategy in most cases involves a product orientation of the enterprise, and not a market or marketing one (on the consumer or competitors) [159, p. 110]. A company that focuses on the product and the costs associated with it may not pay attention to the variety of needs and preferences of consumers in different countries of the world, as well as become vulnerable to competitors in certain foreign markets. In this regard, market orientation, in which the company's attention is focused on consumers and competitors, leads to more effective activities. In addition, there are still a significant number of restrictions and factors that prevent effective implementation of the strategy of standardization of the international marketing complex on foreign markets [159, p. 110]. Factors limiting the implementation of the strategy of standardization of the international marketing complex are shown in Figure 4.

Investigating the possibility of standardization of the international marketing complex, it is possible to distinguish two groups of factors that prevent the successful use of this approach and lead to the need to modify the international marketing complex (Figure 4).

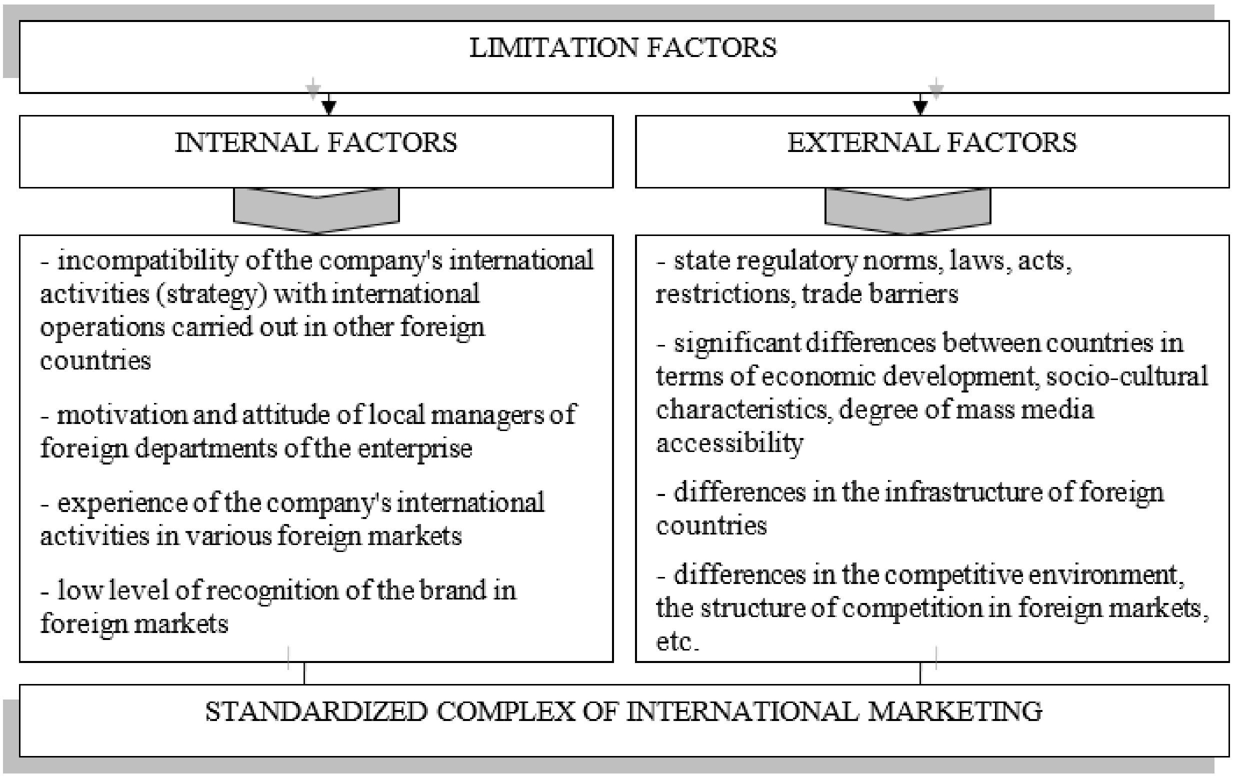

Figure 4. Factors that limit the use of the strategy of standardization of the international marketing complex, [159, p. 110]

The first group are external factors that relate to the peculiarities of the foreign environment, the second group are internal factors that arise from the essence of the company's strategy or the organization of its foreign economic activity. The influence of internal restrictions is that the company's strategy and existing network of foreign economic operations may be incompatible with the standardized complex of international marketing. Such types of foreign economic activity as export, joint business activity, licensing agreements are difficult or impossible to change in a short period of time. In connection with this, certain obstacles (barriers) arise for the implementation of the strategy of standardization of the international marketing complex. Also, the desire of the enterprise itself for standardization may not be acceptable on the part of local managers of foreign departments and branches of companies. In addition, the degree of standardization of international marketing activities should correspond to the experience of the enterprise in the world or foreign market.

The external limitations of the implementation of the strategy of standardization of the international marketing complex include various state regulatory norms, laws that affect the international activity of the enterprise, trade barriers, as well as differences in the marketing infrastructure of foreign countries. The implementation of a standardized marketing complex is impossible if the state regulatory norms differ significantly between countries, especially when the enterprise needs to comply with environmental norms or product safety standards. Accordingly, an adapted complex is necessary when there are significant differences in the features of foreign marketing infrastructure, which may include differences in the availability and accessibility of various mass media, means of advertising and promoting products on the market, determining distribution channels, in the effectiveness of communication and transport systems, etc. Other important external factors that influence the choice of a standardization or adaptation strategy and the development of an international marketing mix are interstate cultural differences and the activities of competitors. In order to function effectively on the foreign market, the enterprise must know and respond to the diversity of cultural features in foreign countries. Therefore, a standardized approach is possible only when the cultural and other characteristics of the countries are the same or slightly different. The activity of competitors can also limit the possibility of implementing a standardized complex of international marketing: if the adaptation of the marketing program, process and complex of marketing is superior in the practice of competitors in the foreign market, then with the standardization of the complex of international marketing, the marketing activity of the enterprise will be ineffective.

Therefore, the presence of obstacles leads to the impossibility of implementing the strategy of standardization of the international marketing complex. Therefore, most enterprises try to adapt the international marketing complex to the conditions of each foreign market as much as possible, that is, they implement the strategy of adapting the international marketing complex. However, it should be noted that complete standardization and complete adaptation are considered extreme options and are almost never used in the real practical activities of enterprises [146, p. 74].

In our opinion, it is advisable for Ukrainian enterprises to use a combined approach (combination strategy), which combines elements of standardization and adaptation. In other words, some components of the international marketing complex are standardized, and some are adapted to the specifics of each foreign market (Figure 5). In the case of applying the strategy of combining, the basic is the marketing complex, which is implemented in the domestic market or specially developed for use on a global or international scale. Thus, the complex of international marketing will be developed, taking into account the main factors of the marketing environment of foreign countries.

STRATEGIES FOR THE FORMATION OF THE INTERNATIONAL MARKETING COMPLEX

Standardization strategy	**Adaptation strategy**	**Combination strategy**
Use of one international marketing mix in all foreign markets: the elements of the international marketing mix and their structure are the same in all foreign markets	Adaptation of the international marketing complex according to the requirements of each foreign market: the elements of the international marketing complex and their structure are different in all foreign markets	The use of a combined international marketing complex in foreign markets: the elements of the international marketing complex and their structure are partly the same and partly different in foreign markets

Figure 5. Strategies for the formation of an international marketing complex in foreign markets

When using a combined approach, the company determines the differences between countries and, in accordance with them, makes changes to the structure of the international marketing complex. In this regard, a detailed analysis of the marketing environment is carried out, as a result of which the elements of the international marketing complex that need to be standardized and adapted are determined. Also, for the effective implementation of the international marketing complex, it is necessary to first analyze each element separately, that is, it is necessary to determine the degree of standardization and adaptation for the product, price, distribution and promotion.

Research results show that the needs of consumers in foreign markets are very different and depend on the level of socio-economic development of the country's population and cultural environment. In this regard, Ukrainian enterprises a must develop or select goods for foreign markets, taking into account competitiveness and the possibility of adapting goods to the conditions of the foreign market. When choosing an option for selling a specific product, the company must evaluate its capabilities and take into account the following factors:

- conformity of the consumer properties of the product to the foreign level;
- associations that the product evokes in foreign consumers;
- the volume of consumption and consumer capacity of the foreign market;
- costs for product adaptation to local conditions;
- volume and production of goods for export;
- financial resources that should be allocated for entering the foreign market and others.

When determining the types of goods for the foreign market, the enterprise can use three options for selling goods:

1) sell a product on the foreign market that is identical to the product being sold on the national market ;

2) to sell on the foreign market a product with the same consumer properties as the product supplied to the domestic market, but to create a different image of the product in the minds of consumers;

3) sell a new, specially developed product for the foreign market.

The simplest solution there is standardization of goods. However, this may negatively affect the efficiency of the enterprise and such goods may not be sold for technical, financial and other reasons. The sale of goods on foreign markets without elements of adaptation is attractive for the enterprise , as it does not require additional costs for modification or creation of new types of goods, new properties of goods . But a change in the conjuncture of foreign markets can negatively affect the development prospects of such an enterprise. The production of goods without adaptation to the conditions of foreign markets is limited and refers, first of all, to raw materials. Therefore, in the modern conditions of the development of international marketing, there is an adaptation of goods to the conditions of foreign markets.

Scientists in the field of international marketing interpret the concept of adaptation ambiguously. Ph. Kotler understands by adaptation product changes that correspond to local conditions or needs in foreign markets. The scientist highlights five strategies of product adaptation on the foreign market (Figure 6).

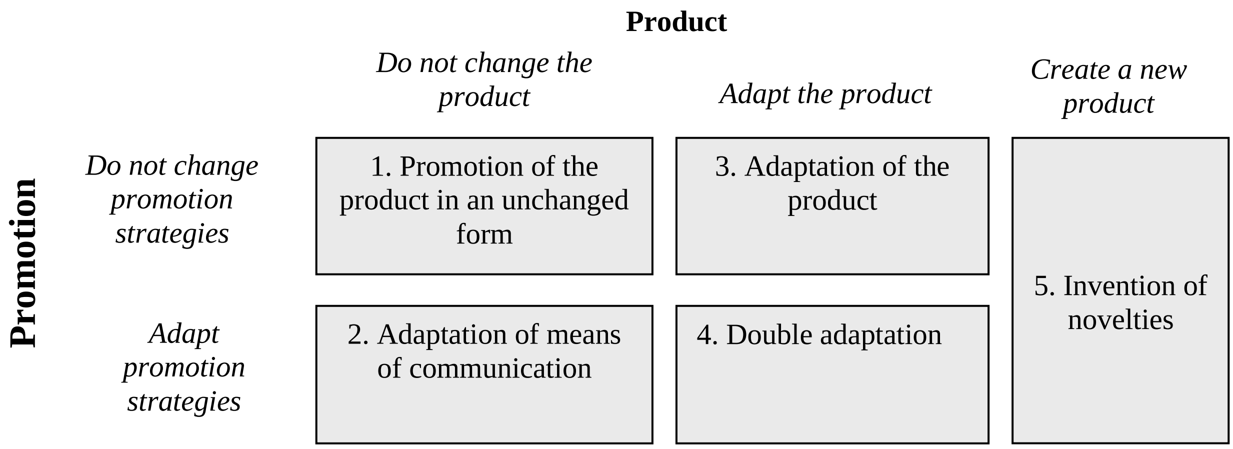

Figure 6. Strategies for product adaptation in foreign markets.

French scientists A. Olivier, A. Dayaan, R. Urse distinguish the following types of adaptation in foreign markets [160, p. 534]:

- depending on the physical characteristics of the product;
- product service features;
- symbolic characteristics of the product;
- adaptation costs, as well as forced and necessary adaptation.

In order to increase the effectiveness of international marketing, we identified the types, forms and areas of product adaptation to the conditions of foreign markets (Figure 7). By the type of adaptation, we propose to understand the general division of means of adaptation, which includes the forced and necessary adaptation of goods on foreign markets. Everyone who exports products to a foreign market must adapt to local norms and rules of trade. Such adaptation is called forced. It includes the enterprise's implementation of safety and hygiene standards, technical and technological standards, and others.

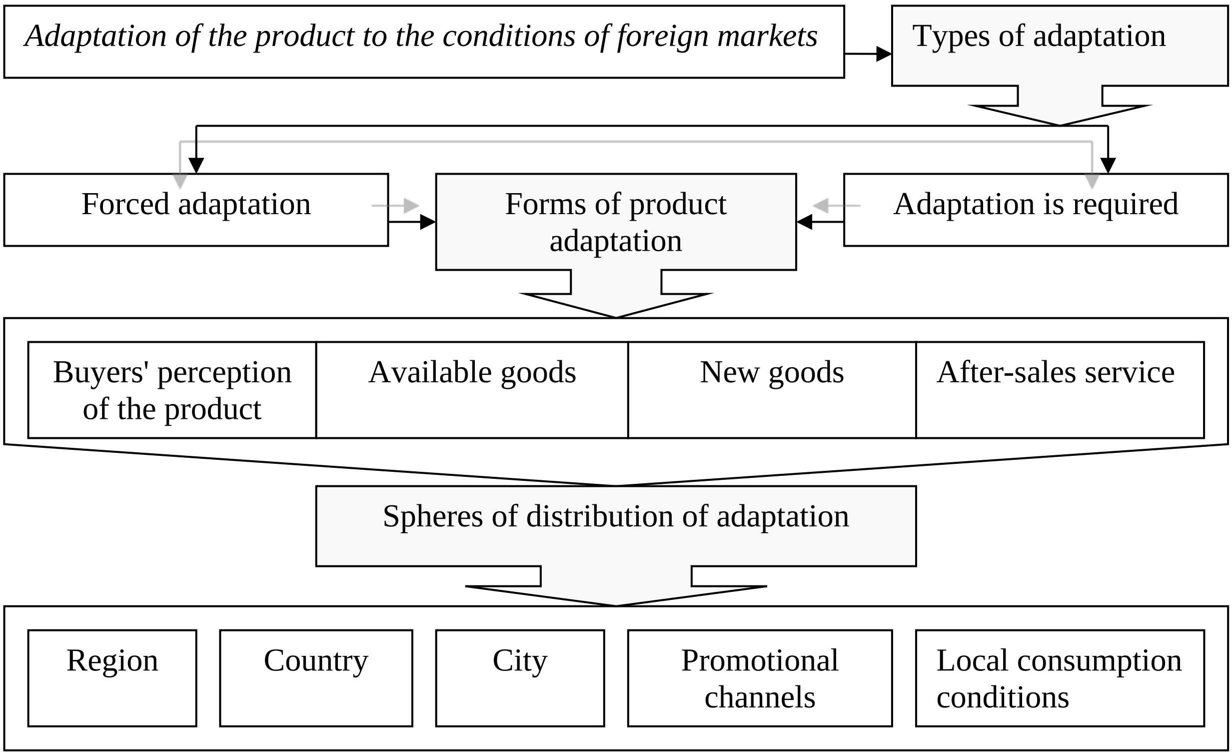

Figure 7. Types, forms and areas of distribution of product adaptation in foreign markets

Source: determined and generated by the author

Another named a type of adaptation is necessary adaptation. It appears as a "law of the market" and must take into account the interests of buyers abroad. This is where the line between a simple exporting enterprise and an enterprise engaged in international marketing passes. The supplier of goods to the foreign market must know the tastes and habits of local buyers, their requirements for the product, the frequency of product consumption, cultural features, characteristics of the climate , natural resources , etc. The use of forced and necessary adaptation in foreign markets can lead to double adaptation of the product. The term "double adaptation" of goods to conditions in foreign markets can have different meanings. F. Kotler believes that double adaptation is a change in the consumer properties of the product and the means used to promote the product on the market.

Product adaptation to foreign market conditions can be carried out in the following forms: 1) change of existing goods; 2) creation of new products; 3) changing the perceptions of buyers abroad about the product; 4) adaptation of after-sales service to new conditions. Product selection, product adaptation to foreign markets is a complex dynamic process. Adaptation of the product to the conditions of the foreign market should be carried out taking into account economic feasibility or with the lowest financial costs. To reduce the financial costs of enterprises, Fr can produce goods for the domestic market with the maximum degree of adaptation to the foreign market . When developing a product strategy, the company must consider options for adapting products to foreign markets, taking into account existing legislation in the countries concerned. At the stage of creating new products, the requirements of the standards of foreign countries must be laid down. The product is an element of the international marketing complex and plays an important role in determining international marketing strategies for foreign markets.

Price determination is a component of international marketing, which depends on the dynamics of product sales, the level of profits and the profitability of the enterprise. The international pricing policy of the enterprise can be built on the basis of determining the optimal sales prices for each individual product in accordance with the conditions of a specific country. The price strategy chosen by the company can have different consequences, since prices: act as a means of establishing relations between the company and buyers of goods on the foreign market; affect the revenue and income of the enterprise from the sale of goods and determine the structure of production; determine profitability and profitability, in other words, the vital activity of the enterprise; affect the state of the national and international economy.

The price, as an element of the international marketing complex, depends on the customs tariff, which is applied to goods moving across the border of the country of production and a foreign country, and systematized in accordance with the product nomenclature of international activity. Therefore, decision-making in the field of international pricing involves taking into account various influencing factors. They should be based on the following:

- the possibility of control over pricing by the state;
- cost estimation (cost) based on various price calculation methods;
- forecast of the reaction of buyers (level of demand) to the price of the product;

- prices of competitors and taking into account information about the market as a whole.

The importance of these factors varies depending on the demographic, economic, political, scientific and technical, social and cultural conditions of a foreign country, but their influence on pricing in international activity is quite significant. When setting a price for a product, the company must determine the degree of "freedom" to set the price in a foreign country. In international practice, this degree varies from administrative price determination by the state to completely free pricing based on supply and demand.

Experts of the International Trade Center on cost and price formation in export production offer alternative methods of price determination. The most common among them are: the method of setting the price based on production costs; break-even method; the method of orienting the price to the level of demand for the product; the method of price orientation at the level of competition.

In practice, two pricing strategies are most common in foreign markets: setting unified prices and special market prices. When choosing the first method, the company sets a single price for its product for all foreign markets (standardization strategy). As a result of the implementation of such a policy, the price of products for the population of countries with a low level of economic development may be overestimated compared to countries whose population has higher incomes. Such a situation can lead to a decrease in the competitiveness of products. Setting special market prices for each foreign market (adaptation strategy) has fewer disadvantages, but it opens up the opportunity for intermediaries to buy goods at a lower price in one country and sell them in another at a higher price, which also leads to a decrease in competitiveness [158, p. 34].

In international activities, transfer prices play an important role in determining final prices for goods. Transfer prices are centrally established and regulated prices for intermediate goods exchanged by its structural units [142, p. 279]. The emergence of such prices is associated with the internationalization of business activities, which involves the creation of a special internal market within the company between its structural departments. Regulation of such a market is carried out by the management of the company with the help of transfer prices. The emergence of transfer pricing was a response to the so-called imperfection of markets where international companies exist. In such markets, there are various tax rates and currency control rules, exchange rate discrepancies are observed, and various government policies are implemented in relation to foreign goods. To eliminate market imperfections, reduce costs and set prices for original goods, an international company creates its own market. Thus, the companies' use of transfer prices in foreign markets creates conditions for a change in the amount of expenses in their interests.

In international marketing, there are various methods, forms and strategies for selling goods on the foreign market. The choice of international strategies and forms of sales activity involves solving the following questions: "How is it more expedient to establish contact with the consumer in the foreign market ?" . In order to sell goods on the foreign market, the enterprise has find a method of entering the foreign market, determine the strategy for selling products on the foreign market and choose a method of selling goods on the market . In the foreign and domestic scientific literature on international marketing, there are several strategies (methods, models) of entering the foreign market and two marketing strategies for selling products on the foreign market - the Push strategy and Pull strategy (Figure 8) [136]. The choice of strategy depends on the financial capabilities and goals of the enterprise, the type of products, the competitiveness of products, legal restrictions of a foreign country.

A characteristic feature of the Push strategy is the use of personal selling as the main means of marketing communications. At the international level, the use of the push strategy requires intensive involvement of human resources and is considered an expensive marketing method.

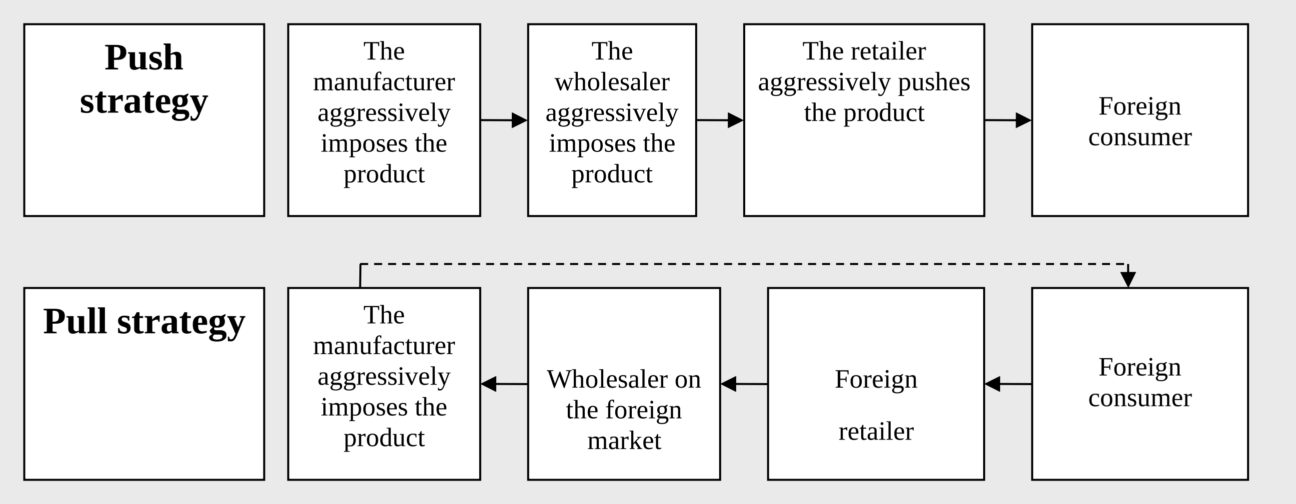

Figure 8. Marketing strategies for selling products on the foreign market, [161, p. 197]

Using a Push strategy is effective and appropriate in cases where:

- ✓ the product is characterized by a high level of complexity;
- ✓ a short distribution channel of goods is used;
- ✓ consumers are poorly informed or unaware of the product;
- ✓ limited access to mass media and advertising media;
- ✓ the company operates on the industrial market.

A characteristic feature of the "pull" strategy is the use of advertising aimed at the final consumer of the product as the main means of marketing communications. The pull strategy is appropriate and effective for companies operating on the international market under the conditions, if:

- ✓ the product is widely used and easy to use;
- ✓ a long product distribution channel is used;
- ✓ high level of influence on the sales channel, distribution;
- ✓ guaranteed access to mass media;
- ✓ using the self -service method when selling goods in the store;
- ✓ the company operates in the consumer market.

In order to make a decision on the use of a push strategy or a pull strategy and the formation of an international marketing complex, a Ukrainian enterprise must first conduct a study of foreign markets, study the conditions of business activity and work on them, analyze the factors that affect activity in the foreign markets.

Since distribution is one of the elements of the international marketing complex, then the enterprise must make a decision regarding the choice between standardization and adaptation strategies. By standardizing the distribution, the enterprise chooses a single strategy for selling products on the foreign market and sells its goods in a single way on all other foreign markets. A company can standardize an international sales strategy if the following conditions are present:

- relatively small enterprise size: small, medium-sized enterprises do not have significant resources necessary for the implementation of joint venture strategies and the opening of their own departments, therefore such enterprises mostly export goods;
- initial development of foreign markets: at the initial stage of development of a foreign market, the enterprise standardizes the sales strategy or exports goods;
- maintenance of a certain degree of control over international activity: the company's desire to maintain the same level of control over the sales process of products in all foreign markets also contributes to the use of a sales standardization strategy ;
- availability of a suitable method of distribution: the company can standardize the distribution strategy due to the fact that in all foreign markets there is one most effective way of selling products;
- there is no sufficiently effective method of distribution of goods in foreign markets , then the enterprise needs to create its own distribution network.

Having considered the conditions that facilitate the implementation of the standardized distribution of goods on the foreign market, it is necessary to note the presence of certain restrictions for the use of this strategy. The ability of the marketing infrastructure in foreign markets can prevent the use of a standardized strategy, in particular: the difference in the availability and availability of distribution channels, retail organizations, the effectiveness of the communication and transport network. The essence of the distribution system and structure is different in each foreign market, each market has its own unique distribution system, which develops and changes quite slowly. Internal national features of the distribution structure are partially explained by differences in history, traditions, legal framework and economic conditions. Therefore, the company must adapt its sales strategies to the existing structure of the distribution network in each foreign market. Some enterprises carry out a certain number of international sales operations in different countries, in this connection, the use of a standardized distribution system in foreign markets by such enterprises may not be possible. In some cases, such activity may include agreements or cooperation on production, distribution of goods with other enterprises. Even when the foreign production and distribution activity belongs to the enterprise, but the creation of a distribution network requires relations with other organizations (conclusion of an exclusive distribution agreement), such obligations are quite difficult or impossible to change in a short time and they can create significant obstacles to the implementation of the strategy standardization.

The impossibility of using a distribution standardization strategy may be related to the characteristics of the product itself, especially when the product has a short shelf life or requires sales service. Limitations can also include the risk of doing business in a foreign market and legal restrictions. The size and growth rates of the market also influence the choice of the strategy of product distribution in the foreign market. In most cases, small markets are not attractive enough for enterprises, therefore, in order to sell their products in such markets, enterprises implement an export strategy. Sufficiently large markets are considered attractive, therefore enterprises can direct significant resources to further market development, create their own departments, branches or participate in joint business activities. Regulatory acts (prohibition on production, mandatory use of local raw materials) play a significant role in determining the strategy for the sale of products on a specific foreign market, which leads to the modification of the enterprise's distribution system [162].

International communication strategies are aimed at changing the behavior of existing and potential buyers in foreign markets in order to make them purchase. The availability of means of marketing communications allows enterprises to study the requirements of the end consumer and adapt products to them, to solve the task of forming demand and stimulating sales. The company's communication strategy is the final component of the international marketing complex. The complex of international marketing communications is a system of influence on the external and internal environment of the enterprise in foreign markets, aimed at making the product known and attractive to buyers and forming a desire to buy this product [162]. Means of the complex of international marketing communications are advertising, sales promotion, public relations, direct marketing, personal selling, exhibitions and fairs (Figure 9).

Figure 9. Popular means of marketing communications in international marketing

Source: determined and generated by the author

Countries have differences in the ability and effectiveness of using various means of marketing communications. The role and importance of international communications for the successful promotion and sale of goods in foreign markets are also different . In this regard, Ukrainian enterprises need to approach the development and implementation of a communication strategy in each foreign market in detail. One of the important strategic tasks is the decision to use a standardized set of marketing communications in foreign markets or adjustment (adaptation) of the complex of marketing communications to the conditions of foreign countries.

Standardization of international communications involves the use by the company of a single set of communication tools and means for promoting products on the foreign market. The adaptation of international communications consists in the use of various means of product promotion in foreign markets, taking into account their availability, popularity and effectiveness [153]. As research shows, the possibility of implementing the strategy of standardization of the marketing communications complex is limited for enterprises operating in foreign markets (Table 3). In connection with existing restrictions, enterprises should adapt the marketing communications strategy to the specific conditions of each foreign market (adaptation strategy) or adapt separate means of marketing communications to the requirements of the foreign market (combination strategy).

Table 3.

The main limitations of the implementation of a standardized set of international marketing communications

Limitation	Problems for the enterprise
Significant differences between countries regarding economic development, legislative and cultural features, degree of accessibility of mass media	Inefficiency of the used marketing communication tools, lack of reaction from the buyers
Legal restrictions on the use of means of promotion or a ban on advertising specific products	Impossibility of using certain means of promotion and advertising of certain products (alcohol, medicine, tobacco)
Low level of recognition of the brand in foreign markets	The need to carry out additional measures to promote the product to attract buyers

Source: determined by the author

The strategy of marketing communications in foreign markets is formed under the influence of many factors, which can be combined into three groups: external factors of the foreign marketing environment, factors of the enterprise environment, and internal factors of the international environment. The influence of groups of factors on decision-making regarding the international marketing communications complex is shown in Figure 10. The scope of international marketing communication strategy is presented in this figure as a time segment with options for complete standardization and adaptation.

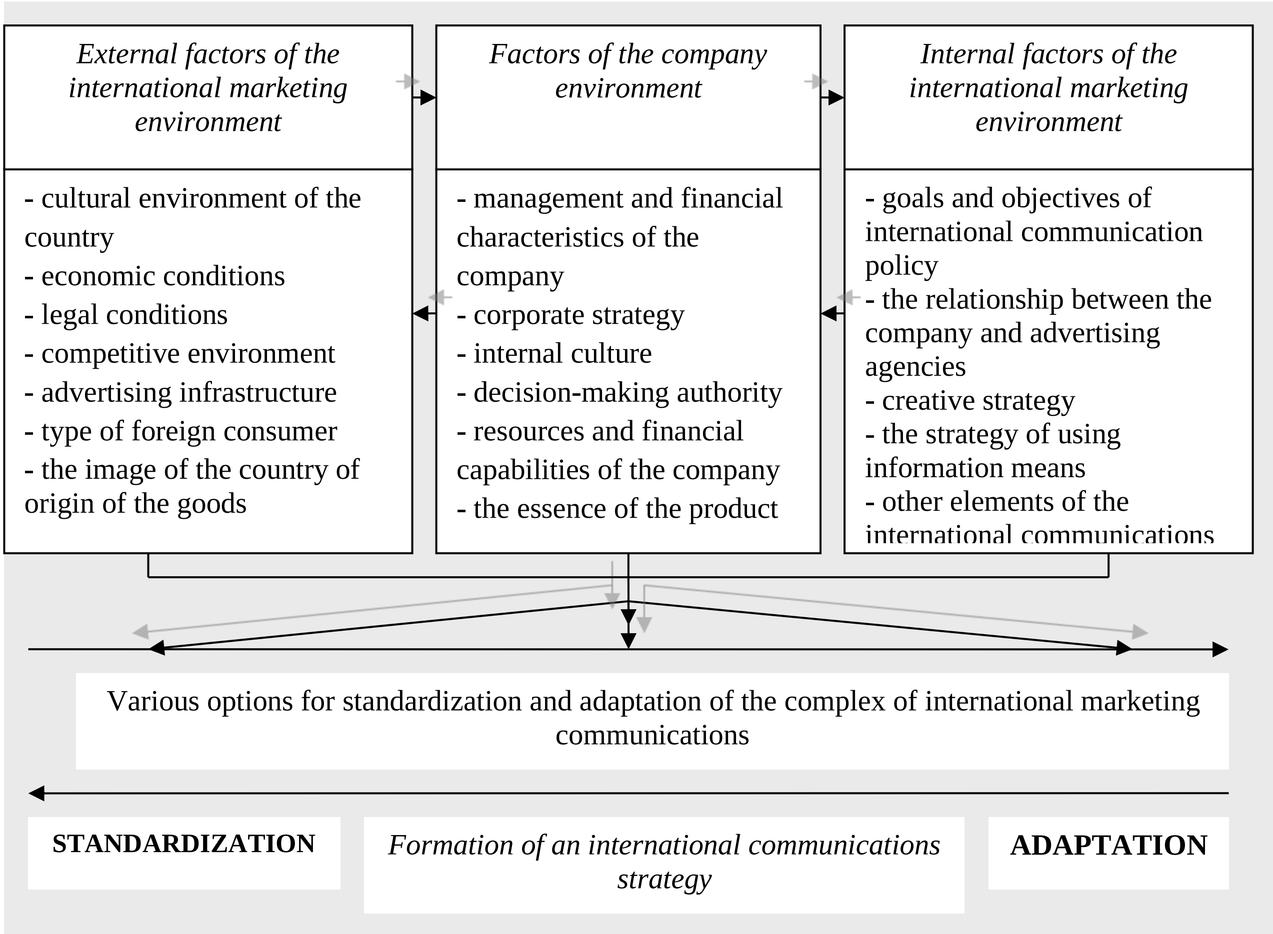

Figure 10. Factors affecting the choice of an international strategy of a complex of marketing communications

The formation of a complex of international marketing communications of the enterprise should be carried out taking into account the differences in the consumer properties of the product and the behavior of consumers. When forming an international communication strategy, one means of promotion is very rarely used . To each tool marketing communications are characterized by specific techniques and methods. All means and elements are combined by the enterprise to solve strategic and tactical tasks in the foreign market. So, Ukrainian enterprises have effectively to combine various means and marketing communications for successful activity in foreign markets.

10.3 Technologies and processes of brand formation in the foreign market

A brand is a figurative combination of the product itself with a set of its inherent characteristics, associations, and expectations that arise in the consumer. This is a certain trademark, which is associated in the consumer with a specific name, word, expression, symbol or design solution. In other words, the brand is a set of objective and subjective perceptions of the consumer, which are accompanied by the perception of the trademark [163, c. 12-13]. As a result of the conducted research, it was established that the probability of success of the brand of Ukrainian products in foreign markets is quite high. After all, many foreign consumers are loyal to Ukrainian products, they are convinced of the high quality, environmental friendliness and naturalness of Ukrainian products.

In foreign and domestic scientific literature, there are a large number of systems, methods, and technologies of brand formation. However, many scientists adhere to the opinion that creating a brand is an individual process, in each individual case this process is different. Therefore, it is appropriate to consider several of the most well-known schemes and technologies of brand development.

One of the most famous and popular methods of building brands is the Brand Essence method from The Decision Shop. This technique involves:

- development of a brand that not only clearly differs from competitors, but also stands out on the market in general;
- creation of a unique positioning and, if necessary, repositioning of the brand;
- forming the boundaries of the brand's existence in such a way that in the future, with minimal effort, they can be adjusted;

- provision of a single marketing message in various means of communication;
- guaranteeing the stability of the brand regardless of the time or place of its promotion.

In connection with the difficulty of predicting the attitude of consumers to the brand, supporters of this technique proposed to decompose the brand into components, as a result of which the "brand wheel" was discovered. The "brand wheel" is a way of representing the feelings of consumers in relation to a brand. It uses five levels: attributes, benefits, values, personality and essence of the brand (Figure 11).

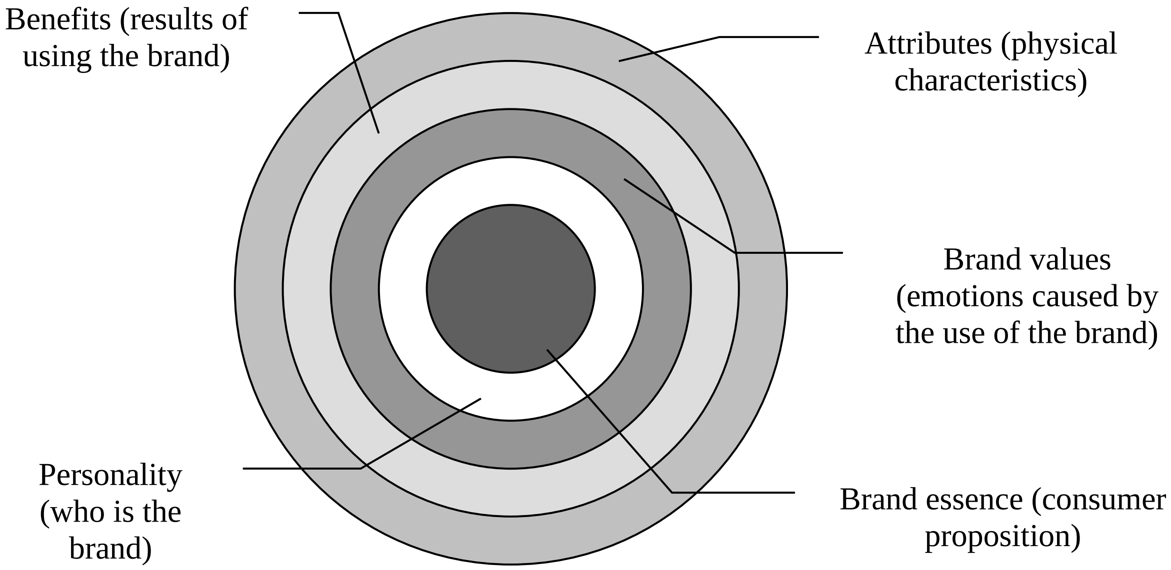

Figure 11. Brand components or "brand wheel", [164, p. 220]

There is a difference between what the manufacturer puts into his brand and what the buyer thinks about it. The only way to find out is to do some research and gather first-hand information. For this, companies need to develop a set of "brand statements", which should fully describe all possible emotions that the brand can evoke in the consumer's mind. This is the essence of this method of brand development. In this regard, about 80-150 statements are formulated that fully describe the new brand and several competitor brands. Specialists from the marketing department of the company producing the new brand, specialists from the agency (if involved in the process of creating a new brand), and several active consumers participate in the creation of such statements. Next, an in-depth interview is conducted with consumers of the brand (200-

600 respondents). Each respondent is offered a two-part questionnaire: the first part gives an idea of the consumer's qualitative attitude towards the market and brands, and the second part - about the consumer's quantitative attitude towards the brand. After the analysis and preparation of the report, a plan is developed for the development of the new brand so that it reaches a unique position in a short period of time.

Another popular and successful method of brand development is the Brand Dynamics method of the Millward Brown company (Figure 12). The authors of this methodology believe that any good, successful brand must go from weak relationships with consumers (low promotion costs) to strong (high promotion costs) [165]. According to this method, the brand must overcome five "steps":

- presence: does the consumer know anything about this brand;
- relevance: does the brand offer the consumer something really necessary;
- performance: can the brand fulfill the promise;
- advantage: is this brand better than competitors' brands;
- relatedness: can a given brand be compared to another brand.

In the process of moving to the top of the pyramid, the brand gradually enters more complex levels of interaction with consumers.

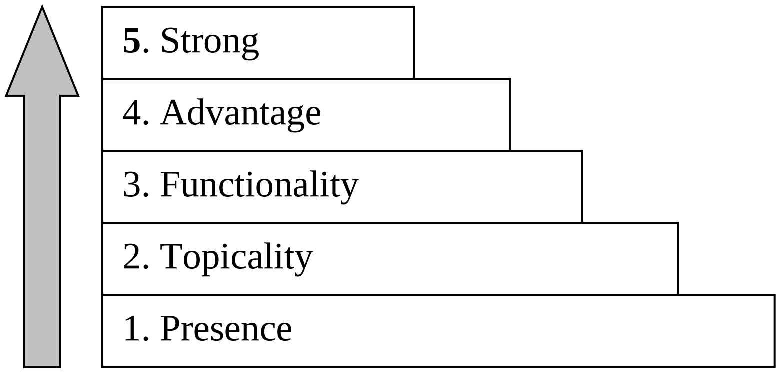

Figure 12. Brand Dynamics pyramid, [164, p. 220]

According to the popular Brand Asset Valuator methodology for evaluating and building brands, developed by the Young&Rubicam company, any properly built brand must go through four stages of formation:

1) difference is the basis for the consumer's choice of the product;

2) relevance is the foundation of brand building. Only in a situation where the consumer believes that this product is appropriate, the brand has a chance of success;

3) respect is the result of the brand's efforts, which lead to the admiration of the brand and the attitude of consumers towards it with respect. Respect shows the level of fulfillment of the brand's promise to the consumer: if the brand stops fulfilling the obligations assumed, the degree of respect for it on the part of the consumer decreases;

4) knowledge – the result of all the manufacturer's marketing actions regarding brand development. By knowledge, the author of this system means such an attitude towards the brand, which is based on the consumer's complete understanding of the functions performed by the product, its purpose.

The first two characteristics of the brand (distinctiveness and relevance) determine the indicator of "Brand power", the other two (respect and knowledge) - the "Position of the brand" in the market. A high level of indicators of "brand strength" and "brand position" indicate the leadership of the brand in the market (Figure 13). If the brand is different from competitors, has high relevance, but does not have the required level of respect and knowledge, then such a brand has not fully realized its potential.

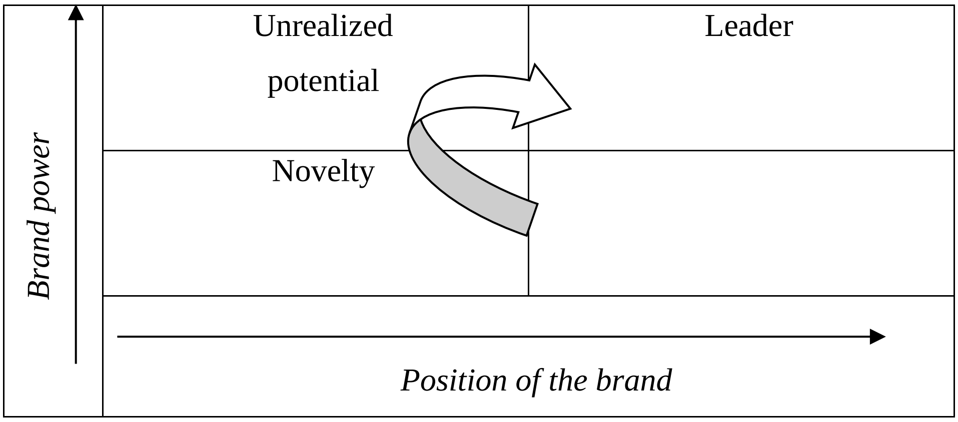

Figure 13. A growing brand, [164, p. 221]

If a brand begins to lose its distinctiveness and relevance, then such a brand is called a "blurred" or "degrading" brand. In this case, consumers do not distinguish the brand from competing products, do not want to consume this brand, stop admiring this brand. As a result, the brand loses respect, knowledge and turns into something "not focused, blurred" (Figure 14).

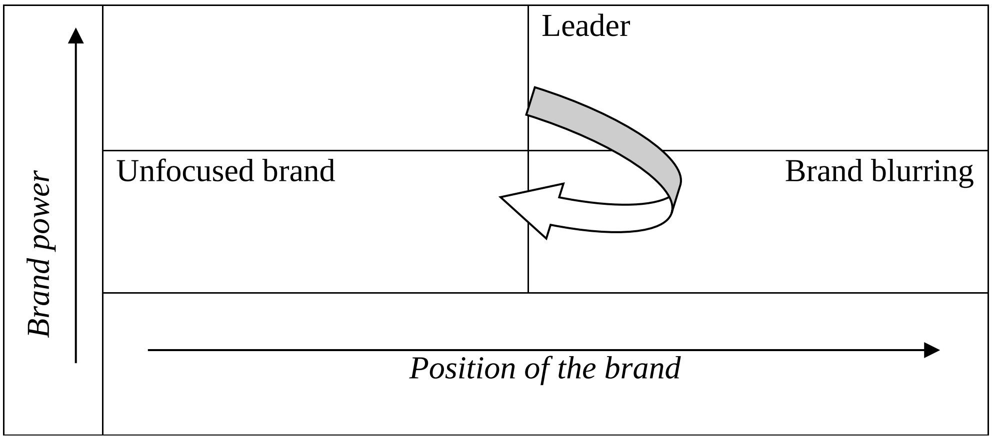

Figure 14. "Degrading" brand, [164, p. 222]

Another well-known and popular brand development system belongs to the American marketing economist Rosser Reeves. He proposed the theory of the unique selling proposition. A unique selling proposition is a motivating idea that is unique to a specific brand and that should remain in the consumer's mind. According to the author, the main thing when creating a brand is not the characteristics of the product, but the idea that should be remembered by the consumer and stimulate the consumer to purchase the product in the future. The name of this system includes three words, each word has its own explanation:

- unique – characteristic only of this brand; can no longer be repeated; distinguishes this brand from other brands;
- commercial - the brand must be sold; must be related to consumers' desire to buy this brand; should encourage action and be attractive; should interest consumers so that consumers refuse to buy goods of other brands;
- offer - should be clear, very attractive for consumers; consumers must clearly see and understand exactly what advantages this brand offers them.

The theory of a unique selling proposition is almost completely consistent with most modern branding systems, although it was very popular in the 70s and 80s of the last century. In order to make the most of a unique selling proposition, you need to do your research. As a result of such research, it is necessary to determine the uniqueness of the brand, which will cause the desire to buy this brand. Then you need to show this uniqueness in a clear and understandable offer to the buyer.

According to domestic scientists, in order to become a brand, a trademark must become popular on the market and have the trust of consumers. According to this statement, scientists distinguish several stages in the process of brand formation (Figure 15). The scheme presented shows that a brand is an entity that develops over time, from a trademark as a concept consisting of the following elements: brand name, sign, style, slogan to a set of functional and emotional elements clearly perceived by buyers, unified with the product itself and the method his idea. This is precisely the fundamental difference between a brand and a trademark, which has "a designation capable of distinguishing, respectively, the goods and services of some legal entities and individuals from homogeneous goods and services of other legal entities or individuals." The process of brand development is continuous, even after the brand begins to independently "work" on the market and bring income to the enterprise. The formed brand is characterized by: "brand development index" and "brand loyalty index" in the target audience of buyers. These are subjective, measurable concepts, the results of which are the value assessment of the brand (brand value).

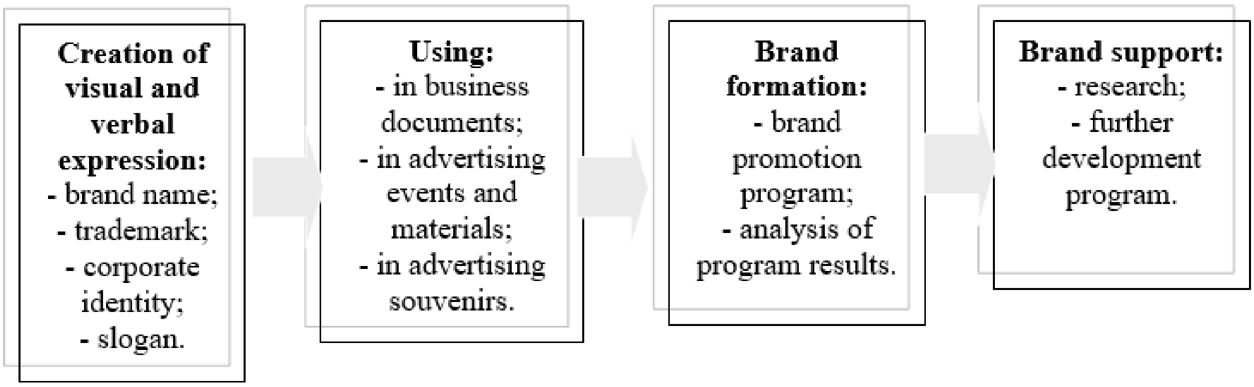

Figure 15. Brand development process, [164, p. 223]

Creating a brand is a necessary, financially costly (expensive), creative and complex business that requires deep professional knowledge, experience and qualifications. Creating a brand must be approached in stages and flexibly. After solving simple tasks, you need to move on to more complex tasks. When forming brands of Ukrainian products in foreign markets, enterprises can follow the sequence shown in Figure 16.

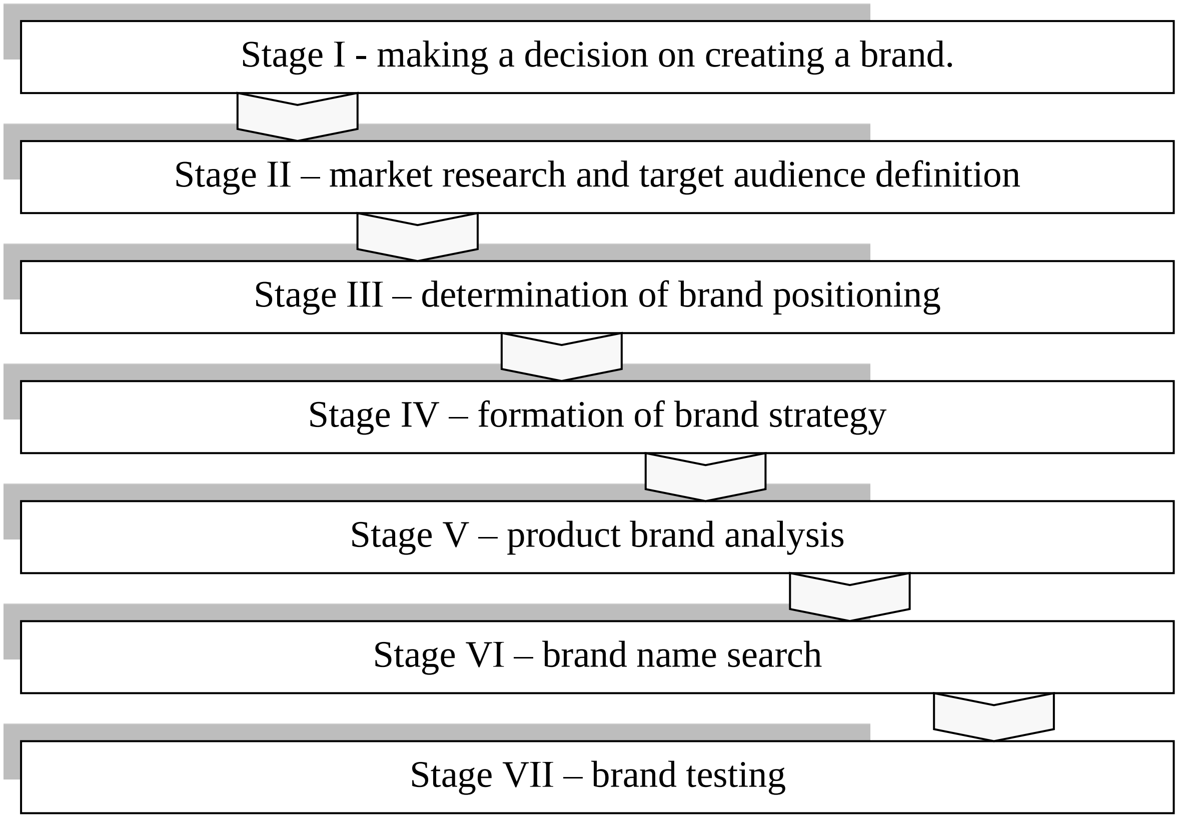

Figure 16. The process of formation of the Ukrainian brand in foreign markets

Let's consider the process of brand formation in more detail. Stage I - making a decision on creating a brand. Ukrainian enterprises must make a decision about creating a brand on the foreign market. From the moment such a decision is made, all further work on the formation of the Ukrainian brand on the foreign market begins.

Stage II – market research and definition of the target segment. Such research should include studying the behavior of consumers (existing and potential) in the foreign market and the market situation as a whole. When studying foreign consumers, it is necessary to investigate the process of making a decision to purchase products and to study all external and internal factors that affect this process. To do this, it is necessary to collect and analyze the following information: socio-demographic data about foreign consumers, their culture, traditions, habits, personal values and lifestyle, their activities, personal characteristics, emotions, motives, desires, needs, aspirations, resources, knowledge, tastes and requirements of foreign consumers, levels of interest in various types of products, expectations and benefits from the product, methods of consumption, etc. The results of such a study will enable Ukrainian exporting producers to answer the question: "For whom is the brand created?", that is, to determine the target segments in the foreign market and subsequently to form the brand.

The research of the market situation should include the collection and analysis of information about competitors in the foreign market, the study of existing product brands, well-known brands, the determination of consumer loyalty, affection and attitude towards various brands of domestic, Ukrainian and foreign manufacturers, the identification of the reasons for the consumption of products of well-known brands, associations, which evoke existing brands among consumers in the foreign market. The results of such a study will help Ukrainian enterprises to learn about the positioning of various brands on the foreign market and correctly position their brand.

Stage III – brand positioning. This stage involves finding a "place" for the Ukrainian brand in the foreign market and in the minds of consumers (target audience). Positioning determines the nature of brand perception by consumers of the target segment. Brand position is the place that the brand will occupy in the minds of buyers in relation to products (brands) of competitors. Brand positioning is the strategic level of the brand, the general direction of formation and development of the Ukrainian brand on the foreign market. It is necessary to find answers to the following questions: for what purpose is the brand needed, why is the brand created, what place in the consumer's mind should the brand occupy, what benefit will the consumer receive from the brand, from which competing brands on the foreign market should the brand protect the Ukrainian manufacturer, etc. At the same time, it is also important to identify strengths and weaknesses, opportunities and threats from competitors in this industry. To position the brand, it is necessary to determine:

- the position that the Ukrainian enterprise currently occupies in the foreign market. In other words, the attitude of foreign consumers towards the Ukrainian brand;

- the position that the company wants to take. At the same time, it is necessary to set realistic goals, focus on the target audience and a free niche in the minds of foreign consumers;
- which competitor (or which brand) the Ukrainian enterprise wants to surpass. It is more expedient to start competition not with market leaders, but with less powerful brands and their manufacturers. At the same time, it is necessary to determine the advantages of Ukrainian products and their differences from the products of the main competitors;
- resources needed to promote the Ukrainian brand;
- it is necessary to make sure that the Ukrainian exporting enterprise will be able to maintain the existing or chosen position on the foreign market for a long time. Having developed a strategy, you need to constantly follow it, gradually improve it, and constantly develop new measures to maintain contact with consumers in the target foreign market.

Stage IV – formation of brand strategy. Ukrainian exporting companies need to develop a strategic program for creating brand values. There are three main components of a brand: brand essence, brand promise and personality. Brand essence is an "eternal" quality that a brand should possess. Brand promise is the most important component and part of brand development. Each brand must promise consumers special advantages and benefits, which must be functional or emotional in nature. The benefits must be very important to the target customers and different from the benefits of competitors. The third component of the brand is its individuality, which should be bright, based on consumer expectations and consumer perception of the brand. We note that strong brands have personality attributes: bright individuality, character; strong brands are reliable, attractive, unique, relevant; strong brands inspire trust in consumers and mean something important to consumers; strong brands always stand out in the market, consumers always know about brands.

Stage V – trademark analysis. A trademark is associated with a product and conveys information to the consumer about this product, its consumer properties and characteristics. A trademark gives an opportunity to introduce new products to the market, influences intermediaries, exporters, wholesalers and retailers. It is necessary to analyze the perception of the Ukrainian trademark on the foreign market (if the product is already sold on the foreign market) and determine its properties: attractiveness, ease of recognition among the trademarks of competing products, communicativeness in the field of positioning.

Stage VI – search for a brand name. The name of the brand is important because it can be associated with the country of the product manufacturer, with the name of the manufacturer, exporter or intermediary structures. The name of the brand should be easily remembered by the foreign consumer. The brand name should make a positive first impression on the foreign consumer.

Searching and defining a brand name for Ukrainian products requires justification, semantic, phonetic and legal analysis of the name. The brand of Ukrainian products must be created for the foreign market, in this regard, a linguistic analysis is also necessary regarding the negative associations of the brand name in a foreign language and regarding the culture of a foreign country. The name of the Ukrainian brand in the foreign market should evoke positive associations and emotions in foreign consumers, be sonorous, pleasant to the ears, easy to pronounce and remember, express the meaning and quality of the main characteristics and consumer properties of the products.

Stage VII – brand testing. Before bringing the Ukrainian brand to the foreign market, it is necessary to evaluate the attitude of consumers to various variants of the brand name, image, design, packaging, etc. In this regard, testing is carried out, the level of effectiveness of brand communications, the perception of its properties and characteristics by the target audience is checked, brand associations and emotions that it evokes in the target audience, the advantages of the Ukrainian brand compared to competitors' brands are determined. Such testing is not mandatory, but it is necessary: you need to make sure that the brand is not similar to a brand already on the market; there will be no conflict situation with other manufacturing enterprises; the brand evokes associations that have been established and planned; the brand possesses the necessary values, expresses the necessary content and conveys the necessary characteristics to the consumer; the brand name does not mislead consumers and there will be no need to change the brand name.

The popularity of the Ukrainian brand on the foreign market cannot be created only with the help of a complex of international marketing communications. The main resources of the brand are the trust of consumers, the values and advantages of the brand that should be important to foreign consumers, the positive associations and emotions that the brand should evoke in foreign consumers. A strong Ukrainian brand on the foreign market will allow Ukrainian enterprises to receive additional income, protect them in competition and in the process of working with partners, identify enterprises and their products among competitors' products, facilitate the entry of Ukrainian manufacturers into the market or new market segments with new products, provide opportunities for the development of various categories of products, will provide an emotional connection with the foreign consumer and facilitate the process of choosing a product on the market by a foreign consumer.

To form a strong Ukrainian brand on the foreign market, the following conditions must be met:

- availability of high-quality products: it is precisely such products that foreign consumers need and therefore will be in significant demand among foreign consumers. High-quality products will bring high profits to Ukrainian enterprises;
- the emotional and informational component of the Ukrainian brand: without it, the existence of a full-fledged trademark of Ukrainian products and the creation of a brand on the foreign market is not possible, even if the trademark is or is very well-known;
- appropriate price: the price is closely related to the value of the brand itself, therefore the price of Ukrainian products should be neither high nor low, it should correspond to the brand. In other words, the price should be rational and appropriate to the quality of the product;
- effective sales policy: realization and sale of products is an important component of every enterprise's activity. Ukrainian enterprises can establish their own

distribution system on the foreign market so that the final foreign consumer is always satisfied;

- product promotion: this is the most powerful resource of branding, because the personality of the brand, its recognition refers to the process of product promotion and therefore depends significantly on it.

A successful brand is an identifiable product reinforced in such a way that the consumer experiences special, unique added values that best meet his needs. The prerequisite for a brand's success is its ability to maintain these added values in a fierce competition.

Ukrainian enterprises should keep in mind that creating a brand is a long-term investment. During the first years, the formation of a brand requires large investments in production, advertising activities, development in general, however, in the long run, a properly created brand turns into a "legend", brings popularity to the enterprise and significant profits, provides new opportunities for further development. The brand is created gradually: customer loyalty and commitment to the brand is formed, the level of recognition of the product among competitors' products increases, the brand image is strengthened, and the brand image is finally established. Along with this, the "life" of the brand lasts as long as the product remains competitive. When the product begins to lose its competitiveness, and the brand "gets old", it is necessary to create and launch new brands (sub-brands) on the market.