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7. Information support of the enterprise marketing strategy

Modern business conditions are characterized by the dynamism and variability of the political and socio-economic situation, so companies are forced to operate in conditions of increased risk and uncertainty. Under these conditions, it is important to develop a strategy aimed at achieving the defined target parameters of business activities, taking into account the potential influence of external and internal factors [146, p. 104].

The strategy of an economic organization is a set of its main goals and main means of achieving these goals. Developing strategic actions for the enterprise means determining a general direction of its activity. The strategy is not just a function of time but a function of direction as well. It includes a set of global ideas for enterprise development. The essence of the strategy is to determine a competitive choice that allows the enterprise not only to use the current opportunities that have arisen, but to concentrate resources to solve priority tasks. A vital place in the strategic activity of the enterprise is occupied by its marketing strategy, which forms market strategic orientations [147, p.213].

According to N. Pravdiuk, the marketing strategy determines the choice of the constituent elements of the marketing mix, providing for the justification of the choice and formation of the target market, the nomenclature and range of products, price, sales, and communication policy. The scientist emphasizes that the development and implementation of the enterprise’s marketing strategy should be based on reliable, complete, and timely information about the market situation, its saturation, capacity, the number of competitors, the type of market structure or market model, i.e. on the information that allows the enterprise to obtain clear answers to the fundamental questions of economics: what, how and for whom to produce? [146, p.102].

An important task of strategic management is the development of an enterprise strategy, which is known as an enterprise management plan aimed at strengthening its position in the market, meeting needs, and achieving the goals set. Making a strategic choice means connecting business decisions and specific methods of action into a single unit. Strategy development is one of the functions of management. A successful strategy and its skillful implementation are signs of perfect enterprise management [149].

Economic management strategy or economic strategy:

a) develops rules and techniques that ensure economically efficient achievement of strategic goals;

b) develops rules and techniques for achieving strategic programs in the effective achievement of these goals [149, p.80].

According to some scientists, the directions of the enterprise activity involve the development of strategic decisions, in particular, the collection and processing of large volumes of information of various types; conducting negotiations with representatives of influential groups in business, potential suppliers of resources, clients, customers, and other business partners; monitoring of goods and services markets, production factors; development of actual strategic decisions. Scientists emphasize that the development of a strategy is a long and time-consuming process, hence its review is possible once every few years, and therefore it is formulated in fairly general terms to anticipate various kinds of surprises. Of course, the company has not one, but several strategies, for all occasions. The main one is the general strategy, which reflects the ways of performing the main goal of the enterprise [149, p.92].

Analysis of scientific sources shows that there are many different definitions of the term “enterprise strategy”. It is defined as:

– a general direction of the enterprise’s development, which ensures coordination of its goals and capabilities;

– a system of organizational and economic measures to achieve the long-term goals of the enterprise;

– an effective business concept for achieving competitive advantages by the enterprise;

– the position occupied by the enterprise in the environment and specified in certain indicators.

The strategy of an enterprise is a systematic plan of its potential behavior in conditions of incomplete information about the development of the environment, which includes the formation of a mission, long-term goals, as well as ways and rules of decision-making for the most effective use of strategic resources, strengths, and opportunities, elimination of weaknesses and protection from environmental threats for the sake of future profitability [150].

The marketing strategy is an integral part of the overall strategy of enterprise development.

Enterprise strategy has a certain hierarchy or several levels. In a multi-disciplinary, diversified enterprise that produces various types of products, a four-level strategy is used. It includes:

1. Corporate general strategy, which is also a portfolio strategy.
2. *Marketing (business, competitive) strategies.*
3. Functional strategies.
4. Operational strategies.

The corporate general (portfolio) strategy determines the general direction of the enterprise (growth, stabilization, or reduction).

Marketing (business, competitive) strategies are subordinated to the corporate one, indicate ways for achieving a selected direction in each strategic business unit, and represent a plan for gaining strong long-term competitive positions (advantages). These strategies are also called business strategies or competitiveness strategies [150].

There are many views on defining a marketing strategy. The most typical of them are as follows:

1) marketing strategy is a system of organizational, technical, and financial measures for the intensification of production, sale of products, increase of its competitiveness, and active influence on demand and supply. Marketing strategy involves controlling production and the market to maintain market prices at the level that ensures optimal profits. The marketing strategy is embodied in a program of measures to improve the production and sale of goods to ensure high and stable profits [151];

2) marketing strategy is a set of dominant principles, specific long-term marketing goals, and appropriate decisions on the selection and aggregation of management organization tools, the implementation of business activity oriented at these goals on the market [152, p. 21-23];

3) the marketing strategy of enterprise development includes a logically justified set of organizational and economic measures regarding the price-quality system, supply-demand correspondence, sales channels and stimulation of product sales, optimization of production and costs, competitiveness, and a stable market position [153];

4) marketing strategy is a rational, logical structure, through the use of which the enterprise expects to solve its marketing goals; and it consists of defined strategies for target markets, marketing mix, and costs for the latter [147, p.215].

Today, marketing is defined as an expression of a market-oriented management style of thinking, which is characterized by creative, stable, and often aggressive approaches. Therefore, the marketing activity of the enterprise should be aimed at its long-term existence, sustainability, strong and long-term relations with consumers or other market participants, and increasing the competitiveness of the offered goods and services. This is motivated by the development of market relations in Ukraine, which required a fundamental restructuring of the managers' economic thinking, a search for more effective ways and means of satisfying the needs of the individuals and society, and identification of priority, socially oriented directions of the economic development of society [153].

Optimality of the developed marketing strategy determines the ability of the enterprise to successfully master new product sales markets, to remain competitive and financially stable in a dynamic, often unstable political and socio-economic environment, which ultimately correlates with the ability of the company to achieve the target parameters of its activity in each product sales market. The marketing strategy occupies a central place in the business planning system of the enterprise, determines the choice of the constituent elements of the marketing mix, involving justification of the choice and formation of the target market, nomenclature and assortment of products, price, sales, and communication policy [146, p.105-106].

According to F. Kotler, marketing strategy is a logical scheme of building marketing activities, which help the company fulfill its marketing goals. It consists of separate strategies for target markets, positioning, marketing mix, and the level of expenses for marketing activities. The marketing strategy should clarify the market segments on which the company plans to focus its efforts [154].

Making managerial decisions regarding the marketing strategy in the conditions of a changing and dynamic environment with elements of uncertainty requires analysis, evaluation, and forecasting of both the internal development of the enterprise as well as ensuring the correspondence between external and internal macro-environments and results of the financial and economic activity of the enterprise [155].

The main source of information support for strategic marketing is the internal environment of the enterprise, the central place of which is given to accounting and financial reporting. According to the estimates of economists, the share of accounting information in the structure of information support for the management of the enterprise marketing strategy is 88-90% [156, p. 66-71].

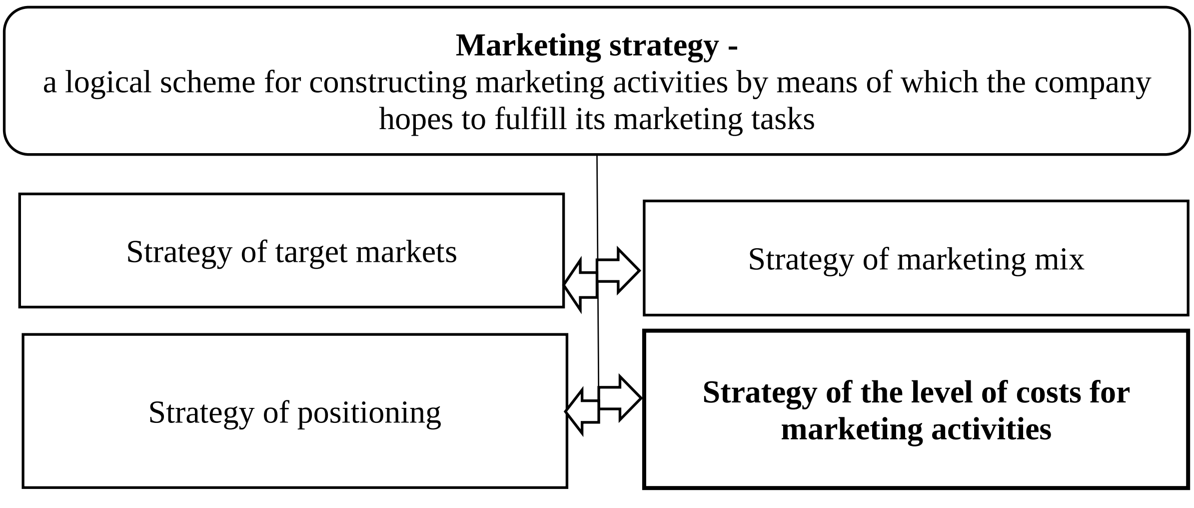

Fig. 1 The essence of the marketing strategy and its constituent parts

Source: formed by the author based on [154].

This indicates the need to create an effective system of information support for marketing strategy management with a clear emphasis on the study of the processing mechanism and the order of generalization of the company's accounting data, which will make it possible to minimize uncertainty and risks when making marketing decisions (Fig. 2).

Marketing is a complex economic category and combines various efforts of specialists, the final result of which is the sale of goods on the market. One of the effective mechanisms of marketing promotion of products (works, services) is advertising.

According to Article 1 of the Law of Ukraine “On Advertising” of July 2, 1996 No. 39, advertising is information about a person or a product, distributed in any form and in any way and intended to form or support consumer awareness and interest in such a person or goods [157].

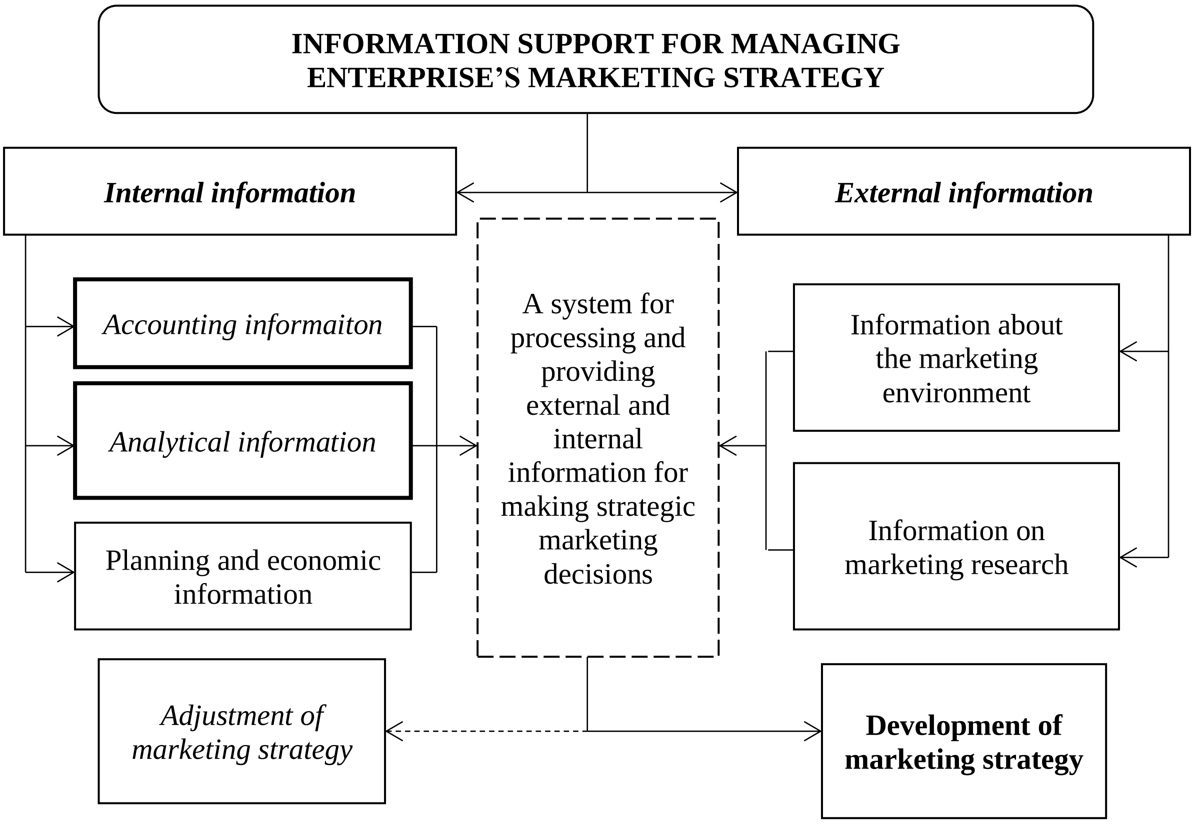

Fig. 2 Information support system for managing enterprise’s marketing strategy

Source: [146, p. 107].

The current practice of accounting for costs incurred in the process of selling products (works, services) does not involve a clear distinction between marketing and sales costs.

The definition of costs is given in the National Regulation (Standard) of Accounting (NT(S)A) 1 “General Requirements for Financial Reporting”. According to the above-mentioned regulatory act, expenses are a decrease in economic benefits in the form of the disposal of assets or an increase in liabilities, which lead to a decrease in equity (except for a decrease in capital due to its withdrawal or distribution by owners) [158].

Following the National Regulation (Standard) of Accounting 16 “Costs” [159], marketing costs refer to the expenses of the period and are not included in the cost of production and cost of goods sold.

It should be noted that the lack of a unified approach to the interpretation of the concept of marketing costs and sales costs, which we have already mentioned above, leads to different ways of their reflection in accounting – a component of the information system for managing marketing strategy.

Thus, account 39 “Costs of future Periods” shows expenses on the research in the field of marketing, while expenses for wages and deductions for social events of employees related to marketing activities, expenses for advertising, etc. are reflected in Account 93 “Sales Costs” [160].

In addition to correct accounting of marketing costs, an important condition is the organization of tax accounting, since fiscal authorities may add certain types of fines during the inspection.

According to the Tax Code, marketing services are the services that ensure the functioning of the taxpayer’s activities in the field of market research, promotion of sales of products (works, services), price policy, organization and management of the movement of products (works, services) to the consumer and customer after-sales service within the economic activity of such a payer [162].

Therefore, to include marketing costs in the composition of expenses that are taken into account when determining the object of taxation, these costs must be related to the enterprise’s economic activity. According to subparagraph 138.10.3 of paragraph 138.10 of Article 138 of the Tax Code, costs for advertising and market research, for pre-sale preparation of goods, and as a component of sales costs are included in the composition of other costs that are taken into account when determining the object of taxation. Other costs are referred to as expenses of the reporting period during which they were incurred, following the rules of accounting [162]. Section 138.2 of Article 138 of the Tax Code establishes that expenses that are taken into account when determining the object of taxation are recognized based on primary documents confirming that the payer has incurred tax on expenses, the obligation to maintain and store them is stipulated by the accounting rules and other documents. Expenses incurred in connection with the acquisition of consulting, marketing, and advertising services (works) from a non-resident are not included in the composition of costs. if payments are made in favor of a non-resident with offshore status. In other cases, there are no restrictions on the classification of marketing costs as those reducing taxable income [162].

Transactions involving the supply of marketing services by the payer of value-added tax (VAT) are subject to VAT, regardless of who they are provided to – a resident or a non-resident.

Marketing services belong to non-commodity transactions, and therefore when forming a tax credit from VAT, an important condition is the connection of these transactions with the taxpayer's economic activity and their confirmation with appropriate documents. Taking into account judicial practice, an order for the enterprise on the need to conduct such marketing research, a contract, and others can be such documents.

VAT, which is paid or accrued as a result of buying goods and services for their further use in taxable transactions in the VAT payer's economic activity, is included in the tax credit. At the same time, according to Section 198.6 of Article 198 of this Tax Code, the amount of tax paid (charged) due to the purchase of goods/services, not confirmed by tax invoices, is not included in the tax credit [162].

According to paragraph 198.2 of Article 198 of the Tax Code, it is determined that the date of the right to a tax credit is the date of the first of the events: either the date of debiting funds from the current account to pay for the cost of goods, or the date of receipt for goods, which is confirmed by the tax invoice [162].

Therefore, provided that a duly executed tax invoice is received from the counterparty (VAT payer) and if the enterprise pays for marketing activities for their further use in taxable operations throughout their business activity, the amount of VAT paid (charged) due to incurred expenses is included in the tax credit of the VAT payer.

Thus, the correctness of forming the enterprise's marketing costs depends both on the activity of the business entity as a whole and its position on the market of economic relations, therefore, it is important to consider peculiarities of accounting and taxation when determining marketing revenues and costs.

Implementation of any development strategy of the enterprise, in particular a marketing one, causes certain expenses, which must be economically feasible, financially justified, and fully reflected in the accounting system.

Comprehensive studies conducted by domestic scientists on the management of marketing costs involve a thorough analysis of the concept of marketing costs, which is based on the study of the works of domestic and foreign scientists and requires consideration of modern trends in the development of marketing at the enterprise [163].

First of all, attention should be paid to a significant number of definitions of marketing costs that are presented in the literature.

Thus, in most English-language textbooks on marketing, the concept of marketing costs can be found, or in some cases – marketing expenses, marketing outlays, marketing expenditures, marketing effort, as well as marketing investment. There is also similar uncertainty among domestic scholars, who use the terms "marketing costs", "costs for marketing activities", "investments in marketing", "costs for enterprise marketing", "transaction costs", etc.

Table 1

Definitions of the concept "marketing costs": literature review

No	Author	Definition of the concept "marketing costs"
1	2	3
1	A.Antoniuk [164]	The firm's marketing costs are a set of firm's expenses expressed in monetary terms during a certain period, incurred to achieve marketing goals, which lead to a decrease in the share of net assets free of debt.
2	Yu. Hoferber[165]	Marketing costs are the monetary expression of marketing activities of the manufacturer or distributor for the sale of products and their stimulation, in particular, for advertising, promotion of products in the market, marketing research, expenses for the development of new product concepts, etc.

Continuation of table 1

3	H. Stoliarchuk, Ye. Lutsyshyna [167, p. 283]	Marketing costs are the expenses associated with all business processes of marketing activities, namely the development and implementation of a marketing mix, and the introduction of marketing innovations.
4	T. Prytychenko, Yu.Rudenko [163]	Marketing costs are funds of the enterprise that accompany the analysis and implementation of marketing technologies aimed at the development of the product/service brand, sales staff, and the company as a whole, and contribute to the growth of gross profit.
6	O. Luhivska, L. Luhivska [168, p. 55]	Circulation costs are the costs of live and tangible labor, which are expressed in monetary terms, intended to bring goods from the producer to the consumer, transform a production assortment into a trading one, and organize the process of buying, selling, consuming, and satisfying consumer demand.
7	S.Viter, Z. Viter [169]	Marketing costs are the spending of material, labor, and financial resources of the enterprise, aimed at the implementation of selected marketing tactics and strategies, which include: 1) marketing research; 2) planning of the assortment policy and implementation of innovative activities; 3) formation of demand and stimulation of sales; 4) management of marketing activities.
8	I.Khriapina [170,c.75]	Marketing costs are the cost of any resources for the preparation, implementation, and control of information flows that circulate between participants in the exchange process to ensure meeting supply and demand under condition of their best use possible
9	I.Liakh [171]	The producer's marketing costs include the funds spent on the marketing of the company's goods by trade organizations through which the company sells its products.

Source: formed by the author based on references

Taking into account the above-mentioned definitions and sharing the opinion of scientists, we consider that marketing costs include all costs necessary for the implementation of the company's marketing activities. So, in our opinion, marketing costs should be defined as the spending of material, labor, and financial resources for managing the company's marketing activities.

In the management process, information support, which is carried out through the appropriate implementation of accounting functions as an information and communication system, is of great value due to its importance for establishing internal and external communications.

The modern stage of marketing development is characterized by evolutionary changes in the system of marketing communications as one of its main elements, since the development of technologies and oversaturation of consumers with information lead to the emergence of new marketing concepts that cause expansion of a range of marketing communications [173, p. 27-30]. Marketing is a tool that provides consumers with commercial information that determines their choice of a particular product. Among all marketing tools providing a system of relationships, a special role is played by marketing communications, which represent the process of transmitting information about products and their properties directly to the target audience and can ensure the company's connection with both consumers and other stakeholders.

O. Lahovska, S. Lehenchuk et al. argue that communication is a process of information exchange between business entities [174].

According to the most general interpretation, marketing communications should be considered as one of numerous informational and real processes that are implemented at the enterprise in its external and internal environment.

There are several approaches to considering the concepts of communication. Information and elements of communication in the field of relations have become the factor that significantly affects the lives of many people and the system of their interaction with various subjects of the market environment. Trends in the individualization of relations between the seller and the buyer (consumer), and between the participants of various market relations have caused the need to review the basics of traditional marketing, to emphasize the understanding of the motives of participants in market relations, to determine an effective set of communications management tools for market participants [175, p.27-30].

The use of marketing communications in modern enterprises is a key tool for finding new markets for sales management in the process of obtaining the maximum possible positive financial result. The reputation of the enterprise depends on the effectiveness of internal and external marketing communications, which is one of the types of innovation implementation, reduction of production costs [176].

Approaches to interpreting the concept of "marketing communication" by scholars in scientific and educational publications are going to be discussed further.

Thus, according to I. Korol, marketing communication is a set of signals coming from the enterprise to various audiences including intermediaries, competitors, consumers, suppliers, shareholders, state administration bodies, and personnel to inform, persuade, and remind consumers and the market as a whole about their goods and their activities [177].

L. Shulha et al. claim that marketing communications are a set of means and transmission channels through which the company provides information about its goods or services to the target audience, using an innovative, socially-oriented approach and forming a loyal audience. Scientists emphasize that marketing communications occupy a special place in the enterprise management system, determining the main direction of the entire information policy [178].

T. Prymak considers marketing communications to be an activity related to informing, persuading, and reminding the target audience about its products, stimulating their sales, forming a positive external and internal image of the enterprise, and establishing close mutually beneficial relations between the enterprise and counterparties [179].

The development of information technologies and the expansion of communications channels leads to the fact that companies have to use new approaches to the formation of the company's marketing communications system and its integration into the general management system.

Currently, a marketing communications system should be formed taking into account some modern trends (Fig. 3).

Trends of formation of the market communications system

– development of digital technologies and digital information transmission channels;

– consumer orientation;

– orientation to basic values;

– formation of customer loyalty;

– creativity, innovative approaches to the client;

– adding value to goods;

– social responsibility of brands and social coloring of advertising;

– an integrated approach to building a system of marketing communications;

– a growing role of the company's reputation, etc.

Fig.3 Modern trends of formation of the marketing communications system

Source: formed by the author based on: [175, c.27-30].

In the conditions of market relations, a wide choice of goods, and services, and rapid updating of their range, each firm strives to find and implement a strategy that would create competitive advantages and obtain long-term planned income.

The main content of positioning strategies is the development of planning and management solutions for maintaining a reasonably profitable target market, attracting a maximum number of buyers, and successful positioning to obtain the desired income.

The essential factor of the firm's economic wealth is the effectiveness of marketing communications aimed at maximum satisfying the needs of buyers for goods and services [180, p.72-80].

Planning and development of a marketing communications system includes the following stages:

1. Analysis of the company's costs for each event related to communications. Compiling a list of all communications budgets and tasks, combining them into a single budget formation process. Evaluation of all communications costs for each product, methods of promotion that are used, and their effectiveness.

2. Development of measures to improve the effectiveness of communications programs. Development of evaluation systems for communications activities. The change in customer behavior should be evaluated so that the level of influence of each type of communication can be determined.

3. Development of databases and their management systems to ensure better serving of real and potential customers.

4. Determination of all services and employees of the enterprise participating in the system of integrated marketing communications. Evaluation of the effectiveness of appeals at any contact point. Regular checking whether communications efforts are directed to the right place, at the right time, and in the right to meet consumer needs as much as possible.

5. Analysis of trends that may negatively affect the efficiency of the enterprise. Continuation of the search for those areas where communications are needed most of all. Identifying the strengths and weaknesses of each communication function and developing several different combinations of promotion tactics based on this. Using the combination that best meets your marketing goals at any given time possible.

6. Creation of business plans and communications plans for each local market. Integrating them into the overall communication strategy.

7. Development of packages of appeals that do not contradict each other. Relationships of the integrated marketing communications system with the general management process of any enterprise make it possible to increase the effectiveness of management efforts to achieve goals. An integrated strategy provides an increase in the effectiveness of each communication function, which depends on success in achieving the main goal of the enterprise.

The effective use of marketing communications helps to achieve the main goal of the enterprise, namely to create a product, technological, or service value that satisfies consumer needs and, as a result, to make a profit. In general, the question of researching the effectiveness of marketing communications is relevant for business. This is due to the difficulty of the reliable determination of the impact of marketing communications on the economic results of a business entity [176].

The concept of the effectiveness of marketing communications always involves a comparison of the result obtained from the use of communication with the amount of costs in monetary terms. And if these costs contributed to an increase in the volume of sales, then, of course, this communication will be effective.

The effectiveness of marketing communications is measured by:

– acquiring the image, increasing the reputation, loyalty, and trust of consumers and partners;

– positive public opinion;

– increasing the degree of activity in the use of mix-marketing technologies in the process of product promotion;

– additional involvement of customers in consumption;

– increase in repeat purchases by regular customers;

– correct use of types of marketing communications depending on the life cycle of the product;

– obtaining additional profit due to creativity, quality, new communication technologies, etc. [35, pp. 72-80].

The economic efficiency of marketing communications makes it possible to evaluate the effectiveness of the chosen general strategy of the enterprise. When evaluating, it is necessary to highlight the measures that ensure the highest income, as well as to determine and analyze in which aspects the application of integrated marketing communications has absolutely no influence [181, p.219-225].

Costs for marketing communications arising during the advertising process at the enterprise can be considered in two directions:

1) expenses for the organization of the advertising process at the enterprise;

2) costs for manufacturing/ordering and placement of a certain type of advertising product.

The separation of such areas is justified by significant differences in the nature of the expenses that are included in them from the point of view of the control system for such expenses.

Effective organization of marketing communications at the enterprise leads to the occurrence of various types of costs (Fig. 4).

The development of a marketing model and its implementation in business processes at the enterprise is necessary to achieve the following goals: to decrease costs and increase the company’s profit; increase the demand for products due to the company’s use of the most modern digital technologies in market research and attract potential consumers; ensure the optimal load on the enterprise when the enterprise participates in several projects simultaneously.

Accounting communications is the process of exchanging accounting information between elements of the management system of different hierarchical levels, based on the variety of relations between these elements, to increase coherence in their functioning and interaction (internal communications) and between the systems of the external environment (external communications) [174].

Marketing and merchandising expenses of the enterprise are known as sales costs. According to NR(S)A 16 “Costs”, such costs are recognized in the period of their implementation [159].

Analysis of the studied sources allows us to draw the following conclusions:

– in NR(S)A 16 “Costs” the concept and nomenclature of costs of marketing activities are not defined. Following this regulatory document, marketing costs are only elements of sales costs, i.e. “expenses for advertising and market research (marketing)”;

– costs for marketing communications are an accounting object, which should be reflected in the accounting and reporting system of the enterprise;

– lack of clear regulation of accounting of marketing costs causes disagreements regarding the accounting display of these costs on different accounts, which does not allow us to accumulate marketing costs on one account for operational and strategic management.

– costs for undisturbed operation of the advertising department (service) and management of its personnel:
- material costs;
- labor costs;
- deduction for social even
- costs for additional wages;
- costs for establishing and maintaining contractual relations with counterparties;
- costs for ensuring relationships with other divisions of the enterprise;
- etc.;

Types of costs in the process of effective organizing marketing communications

costs for planning the advertising process:
- material costs;
- labor costs;
- deduction for social events;
- costs for additional wages;
- costs for forming an advertising budget (advertising campaign) for a certain reporting period;
- costs for establishing and maintaining contractual relations with counterparties;
- etc.

Fig. 4 Types of costs in the process of effective organizing of marketing communications

Source: formed by the author based on: [182].

Marketing costs are the costs of material, labor, and financial resources of the enterprise aimed at the implementation of selected marketing tactics and strategies, which include [169]:

1) conducting marketing research;

2) assortment policy planning and implementation of innovative activities;

3) formation of demand and stimulation of sales;

4) management of marketing activities.

It is known that the accounting process begins with the recording of business operations carried out by the enterprise in the process of developing and implementing marketing strategies. These economic operations should include actions or events that lead to changes in the structure of assets, liabilities, and equity and are related to the implementation of marketing activities, in particular, these are economic operations related to the sale of merchandise (assortment), market, sales, price and communication strategies. Recording of business transactions related to marketing strategy management involves the recording of data on primary or machine media about the costs incurred by the enterprise for various marketing activities, in particular:

1) the development and implementation of the product strategy: costs for marketing research including development and improvement of product design, improvement of the quality and consumer properties of products, optimization of the existing assortment and creation of new types of products, extension of the life cycle of products, etc.;

2) the development and implementation of a sales strategy, in particular, costs for warehousing products, costs for transportation of finished products, costs for packaging materials, wages for employees of the sales department (sales managers, consultants, sales agents, drivers, etc.), costs for warranty repairs, costs for maintenance of fixed assets and other material non-current assets related to the sale of products, etc.;

3) development and implementation of a price strategy: costs for marketing research including analysis of the price policy of competitors, consumer prices, market conditions, pricing, reflection of the costs of material, labor, and financial resources for marketing research, etc.;

4) development and implementation of a market strategy: costs for conducting marketing research including those for choosing a market segment by analyzing market capacity and saturation, the ratio of supply and demand, analysis of the competitive environment, payment for information and consulting services, etc.;

5) development and implementation of a communication strategy: costs for ordering advertising services and materials (postcards, brochures, etc.), placement of advertising in mass media, costs for the production of outdoor advertising (advertising in transport, signs, billboards), costs for creating and maintenance of the company’s website, costs for participation in exhibitions, fairs and tastings, entertainment allowance, etc. [146, p. 108].

According to O.O. Vysochan, accounting is characterized by continuous and overall reflection of the financial and economic activity of organizations, enterprises, and institutions. At the same time, a mandatory condition for accounting records is their confirmation by documents. Primary observation in accounting is organized for the subsequent processing of data on the investigated facts into informational indicators. When observing, we describe the facts of economic activity; record data about them on physical media; as well as store and transmit data for further processing in the accounting system. It is possible to single out somewhat different stages of primary observation: evaluation and criteria for selecting the facts of economic life based on the goals and tasks of accounting; unambiguous interpretation of objects and events reflected in accounting; combining in time the registration of observation and measurement of the fact of economic life; forms of control over observation, and transfer of facts of economic life for their further processing [183, p.188-193].

The primary unit of accounting observation is the fact of economic activity, which should be distinguished from the economic transaction, since the latter is a somewhat narrower concept, as it refers to purposeful actions only to achieve clearly defined results. At the same time, the fact of economic activity covers the entire range of objects and phenomena of primary accounting observation (depreciation of fixed assets and intangible assets, losses from natural disasters, loss by commodity and material values of their consumer qualities, etc.). The fact of economic activity leads to a change in the volume and structure of economic tools of the business entity, sources of their formation, income, and expenses, which has a certain impact on the property status of the enterprise.

The main attributes of the document as the basis of the information support of the enterprise’s accounting system are functions, requirements, requisites, signs, and meanings.

The functions of accounting documents are determinative during their development and implementation in the document flow of the enterprise (Fig. 5).

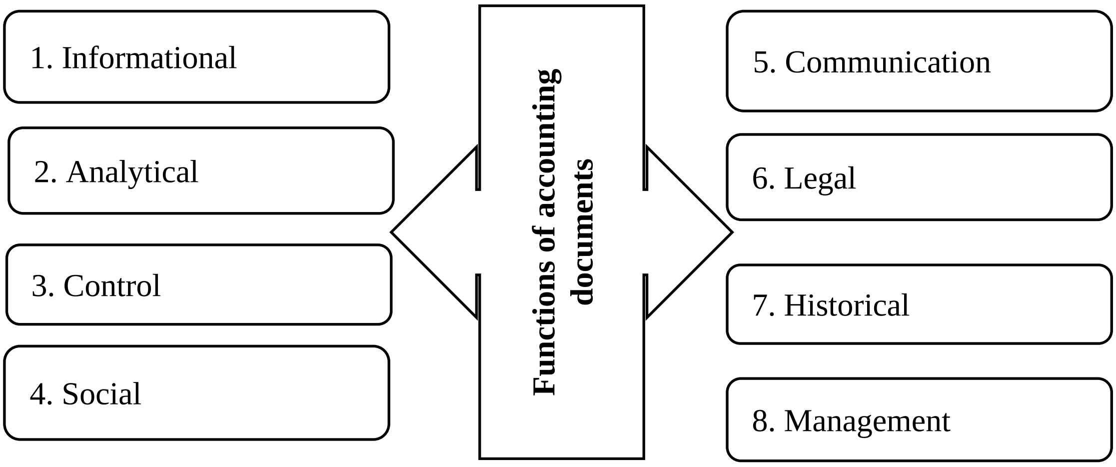

Fig.5 Functions of accounting documents

Source: formed by the author based on references

The information function is based on the fact that the reason for the emergence of any document is the recording of information and its storage [184].

Documentation serves as the basis for keeping records of all types of economic accounting, as well as the information base of other functions of the management system: calculation of planned (normative) indicators of production, sales, cost price, and profit; limiting (regulating) production and consumption of material, fuel, energy, and labor resources [183, p.188-193].

A modern information system is a complex hardware and software complex, the source of which is the primary accounting document that reflects the business processes of the economic entity. According to some foreign estimates, after two weeks of downtime of information systems, 75% of companies have a critical or complete loss of operation. In 80% of companies, the loss of databases leads to their bankruptcy.

The control function is provided by constant monitoring of the flow of material, labor, and financial resources used in the process of preparation and development of the production of new products in the economy mode. In this way, control over the preservation of property is carried out and facts of damages caused by those having material liability and other officials of the enterprise are revealed. The entity that signs the accounting document bears personal responsibility for the actions taken by it, which maximizes the effectiveness of the control system at the enterprise. Documents are also an important source of control for external and internal users in the process of auditing the activities of a business entity. Preliminary control is carried out by the heads of the organization (manager, chief accountant, chief engineer, foreman, etc.) when signing documents, since signing the document, they assume personal responsibility of the worker who signed the document for his actions. Current control is carried out in the process of accounting and analysis (operational) of financial and economic activity; to deepen analysis, primary documents are involved. Further control is carried out mainly in the form of documentary audits, as well as by checking documents by accountants, which serve as the basis for the registration of economic transactions [183, p.188-193].

Legal function – the document is written evidence of the transaction and confirms its legality. It contains data that is necessary to obtain a complete view of the facts of economic activity and ensure proof of the latter. Documents are used by judicial bodies during consideration of economic disputes and in the process of investigation and trial of certain categories of criminal cases – in the part of crimes in the field of economy. Primary documents always play the role of arbitrator or judge when proving not just the facts of economic transactions, but confirmation of the acquisition of rights by one party and obligations by the other. Synthesized information is also used for control, but it is also based on the data of primary documents [185].

The analytical function of bookkeeping records of costs accounting for the preparation and mastering of the production of new products refers to the determination of several indicators that are part of a comprehensive analysis of economic activity. This includes, in particular, the calculation of the economic effect of the new technology introduction, analysis of using funds for the preparation and development of production of new products, analysis of implementing general estimate of costs related to the innovative activities, etc. The communicative function is performed when organizing communication between various business entities (crediting the process of preparation and development of production of new products; fulfillment of work by a third-party organization, etc.), the enterprise, and the state (submission of financial and statistical reporting on products), individual officials within the enterprise (information flows between the accounting department and the technical control service, the planning and economic department, the laboratory, etc.) and others.

Effective execution of this function by documentation directly depends on the quality of the document flow schedule approved at the enterprise (in the form of the Appendix to the Order on Accounting Policy), Chapter “Relationships (Service Relations)” of the Regulation on Accounting Service, job instructions for accounting employees and other officials, and the effectiveness of the system that monitors their compliance.

Management function of accounting documents regarding costs accounting for the preparation and development of production of new products is reduced to ensuring the most effective management of the enterprise’s innovative activities (choosing sources of financing, ensuring the most rational distribution of costs, determining the economic effect of taking measures) within the strategic development of the latter. This is especially true of summary documents, as they provide the most valuable information for middle and senior managers.

Historical function is implemented after the transfer of documents for preservation in the archive. Next, they form an array of information that is useful primarily in terms of accumulating experience and carrying out a thorough study of the development of a certain object or phenomenon over time (investments made in the process of organizing the production of new products, the number of the latest developments introduced into the economic activity of the enterprise, etc.), which is closely related to the analytical function.

The social function of documents is manifested in helping to form information important for society. This is especially relevant for the process of preparation and development of the production of new products since the vast majority of product innovations are aimed at more fully meeting the various needs of their consumers.

All costs arising when implementing marketing activities of the enterprise are different by their economic content, namely, material costs, salary costs, costs for social events, amortization, and other operating expenses.

Following regulatory documents, to ensure the completeness and efficiency of generalization of information about the marketing activities of the enterprise in the system of accounting and financial reporting, documentation should be carried out during the implementation of an economic operation, and if this is not possible, immediately after its fulfillment [186].

The basis for the accounting of economic transactions is primary documents that record the facts of such economic transactions. Proof of costs at enterprises is achieved by overall and continuous documentation of business operations and processes. By documenting economic transactions related to the consumption of resources, primary monitoring of the incurred expenses is carried out in accounting. Typification of the forms of documents is achieved due to the homogeneity of the economic nature of many economic phenomena, which makes it possible to issue them with the same documents. The recording of economic information in primary media is legal proof of the expenses incurred and a prerequisite for ensuring their accounting, control, and analysis. In turn, consolidated accounting documents depend on the information required for management.

In Ukraine, there are no standard forms of primary and consolidated accounting documents approved at the state level, suitable for marketing costs accounting, therefore, in practice, a sufficiently large list of them, approved by the Ministry of Statistics and the Ministry of Finance of Ukraine, is used for accounting of other economic transactions and accounting objects. Hence, there is a need to develop forms of information carriers for current marketing cost accounting [187].

Some studies show that enterprises use various forms of primary documents approved by the legislation for documentary recording of marketing costs:

- documents on the accounting of material values;
- documents on the accounting of monetary and settlement transactions;
- documents for accounting of wages and related calculations (social insurance, tax payments, etc.);
- documents, which are drawn up by enterprises themselves (references and accounting calculations).

Thus, for the primary accounting of marketing costs, most enterprises use standard documents that are used for cost accounting by economic elements. In particular, the primary documents for registration of material costs in accounting are invoices, invoices for internal movement, and limited collection cards, etc. The salary of employees involved in marketing activities is calculated based on a timesheet or a shift work schedule, the salary is calculated in the settlement and payment statement.

However, with the help of the standard forms of documents, it is not always possible to single out individual accounting objects, such as marketing expenses, which complicates their further accounting. If standard or unified documents and registers do not fully meet the needs of users, the enterprise can develop its carriers of accounting information. In particular, following the requirements of paragraph 5 of Article 8 of Chapter III of the Law of Ukraine dated July 6, 1999 No. 996-XIV “On accounting and financial reporting in Ukraine”, the enterprise independently approves the rules of document flow and the technology of processing accounting information, an additional system of accounts and registers of analytical accounting. It is also provided here that primary and consolidated accounting documents can be drawn up on paper or machine media and must have the following mandatory details: the name of the document, the date, and place of drawing up, the name of the enterprise on whose behalf the document is drawn up, the content and scope of the economic transaction, the unit of measurement of the economic transaction, the positions of the persons responsible for the implementation of the economic transaction and the correctness of its registration, a personal signature or other data that make it possible to identify the person who participated in the implementation of the economic transaction [188].

The primary accounting documentation for the registration of facts of the economic activity of the enterprise when implementing a marketing event should reflect the focus of expenses on achieving parameters, characteristics, and results of the marketing event. The current legislation has not defined a specific list of documents to confirm marketing costs. However, the following documents can confirm the links of costs for marketing services with the economic activity of the customer of such services [187]:

1. An order for the enterprise, which substantiates the need to conduct marketing research (e.g. to analyze consumer demand), indicates the period of their conduct, the territory, the name of the product type, the category of potential consumers, etc. The order may also include a plan for conducting relevant marketing activities.

2. A contract for the provision of marketing services, which contains: 1) a general list of services and general conditions for their performance, while specific tasks, terms of their performance, conditions, place of research, etc. are prescribed in separate additional agreements. This option is convenient to use if long-term cooperation between the customer and the provider of such services is expected; 2) specific tasks, terms, conditions, prices, venue, etc. This option is used if the studies are ordered once since it will be necessary to draw up a new contract in case of further cooperation. Since the advertising medium is an object of copyright, the contract must also contain elements of copyright contracts (it is desirable to provide for the procedure of transferring or not transferring property copyrights).

3. Act of acceptance and transfer of services or other document confirming the actual provision of such services. This document must contain all the mandatory details of the primary documents provided for in Article 2. 9 of the Law of Ukraine “On Accounting and Financial Reporting in Ukraine”.

4. A report on the marketing research, in which the results of such research are presented and recommendations are provided to the customer:

– the purpose and subject of the contract, which provides for the analysis of the main characteristics and assessment of prospects for the development of existing production, financial and economic calculation, and determination of the expediency of investing funds in the expansion of this production or the creation of a new one;

– analysis of competition between the largest manufacturers in the wholesale and retail sales market and assessment of the level of competition;

– the main trends of market development, dynamics of price changes, product range;

– pricing policy;

– description of potential consumers and quantitative indicators (market capacity) of planned sales;

– sales plan;

– analysis of import and export of products and their impact on the market;

– risk assessment, financial plan, analysis of project effectiveness;

– forecast level of profitability, and payback period of the project;

– conclusions based on the conducted studies [189].

section in the act of acceptance and transfer of services, which outlines the essence of the business operation, must correspond to the data of the contract for the provision of marketing services and the data of the report on the marketing research.

Following the current legislation, which regulates the procedure for keeping accounting records and drawing up financial statements, information on marketing expenses is not provided in the reports, but information is given on incurred sales costs, which are different from marketing costs in terms of their functional content and role in the business process. Sales costs must be considered as a constituent element of the marketing costs, as provided for in paragraph 19 of NR(S)O 16 “Costs” [159].

Following NR(S)O 1 “General Requirements for Financial Reporting”, information on expenses incurred for the sale of products is reflected in form No. 2 “Report on Financial Results (Report on Total Income)” (line “Sales Costs”) [158]. Taking into account the approach to understanding the essence of sales costs and marketing costs, we suggest renaming this line to “Marketing costs”, which will make it possible to single out the company’s marketing costs in the reporting.

Based on the analysis of scientific sources and materials of our research, sharing the opinion of scientists, we can conclude that the information support of the management of marketing costs largely depends on the correct documentation of the consumed resources of the enterprise. Moreover, the drafting of documents occurs during the implementation of economic operations, the study of changes that occur during the implementation of economic processes, and the process of summarizing data on spent resources for the needs of management.

As a result of the conducted research, it was established that the current system of information support for the management of marketing costs cannot be used to substantiate management decisions and control in this area.

Effective management of the enterprise is impossible without the formation of a budget as the main tool of flexible management, which provides management with accurate, complete, and timely information. The budget is an effective means of planning and controlling the company's income and expenses, at the same time it ensures the compliance of expenses with income to prevent a shortage of financial resources or their diversion from circulation. Since the marketing component is the basis for drawing up the company's budget, it became necessary to investigate its influence on the formation of indicators of the consolidated budget of the company [166].

According to N. Pravdiuk, the goal of introducing a budgeting system is primarily to manage costs and effectiveness. For industrial enterprises, it is primarily the quality of products, the implementation of technological and management processes, and the optimization of costs, which is reflected in the cost of products. Such a chain management system can be implemented with the help of a budgeting system, determination of responsibility centers with further integration into the product quality management system. The scientist notes that for the implementation of the budgeting system, the data of bookkeeping and management accounting are used to monitor and control the implementation of planned indicators and to compare them with actual values. Accounting tools are used for operational management: data from the chart of accounts; analytical sections of accounting; primary accounting documents; accounting reports, and reporting forms [191, p. 13-15].

Being a specific approach to the organization of management of economic and financial activities of the enterprise, budgeting ensures full participation of all units of the enterprise in the processes of forming comprehensive plans based on timely and reliable information about the state of development and implementation of budgetary planning and reporting systems. Budgeting is becoming a very popular management technology because more and more enterprises strive for systematic planning of their financial prospects. The main tool for such planning is the system of enterprise budgets.

Scientists interpret the essence and definition of the budget in different ways. One of the most common interpretations is as follows: the budget is a plan of a business entity for a certain period, expressed in quantitative, mainly financial indicators. Thus, the budget of the enterprise shows what revenues will be received from the planned activities of all units to achieve the set goals, what expenses will be incurred, and what financial results the enterprise will receive. The budget is treated as an economic forecast, as a basis for monitoring the results of the enterprise and its divisions, as a means of coordination, as a basis for setting tasks, and as a means of delegating powers [192].

L. Batenko, T. Zinkevych et al. claim that the budget is formed with the help of budgeting processes. This term means the process of budget preparation and control over its implementation. The modern concept of budgeting considers it, on the one hand, as a process of drawing up and controlling budgets, and on the other, as a management technology aimed at developing and justifying management decisions. Scientists draw attention to the fact that budgeting as a process is a series of actions for the development, implementation, control, and analysis of the budget with subsequent possible adjustments of both plans and goals of the enterprise. Budgeting as a management technology is aimed at developing and improving the financial and economic validity of various management decisions. It makes it possible to plan, and then give an economic assessment of the consequences of implemented measures, to manage the financial results of both the whole enterprise and individual business units, to determine the directions, scales, and rates of its development, expressed in financial indicators (volumes and sources of financing as current activities, and various projects) [193].

Depending on the target, budgets are divided into operational and financial [194]. The majority of enterprises make a combined (consolidated) budget regardless of its size, field of activity, organizational and legal form of ownership. The consolidated budget includes two areas, operational and financial, and each one has its sub-budgets. An operating budget covers several areas that help plan and manage operating activities, a financial budget reflects expectations for cash inflows and outflows, including cash payments for planned operations, the purchase or sale of assets, the payment or financing of loans, and changes in equity. Each sub-budget consists of separate but interrelated budgets, and the number and type of separate budgets will vary depending on the type and size of the enterprise. The sales budget and the marketing budget belong to the operating budget. For example, a sales budget predicts expected sales for each quarter. The materials budget uses information from the sales budget to calculate the number of units of raw materials and materials needed for production. This information is used in other budgets, such as the raw materials budget, which plans when materials will be purchased, how much will be purchased, and how much the material should cost. Operational and financial budgets are linked within the main budget [195]. The operating budget has an appropriate composition, which also includes sales costs (Fig. 6).

The financial budget includes a capital expenditure budget (investment budget), a cash flow budget, and a forecast balance sheet.

The operating budget reflects the planned operations for the future planning period for a separate functional unit or the enterprise as a whole. In the process of its preparation, the forecasted volumes of sales and production are transformed into quantitative estimates of income and expenses for each operating division of the enterprise. The forecast of the sales volume is a necessary preliminary stage of the sales budget preparation. The sales forecast is converted into a sales budget if the management of the company believes that the forecasted sales volume can be achieved.

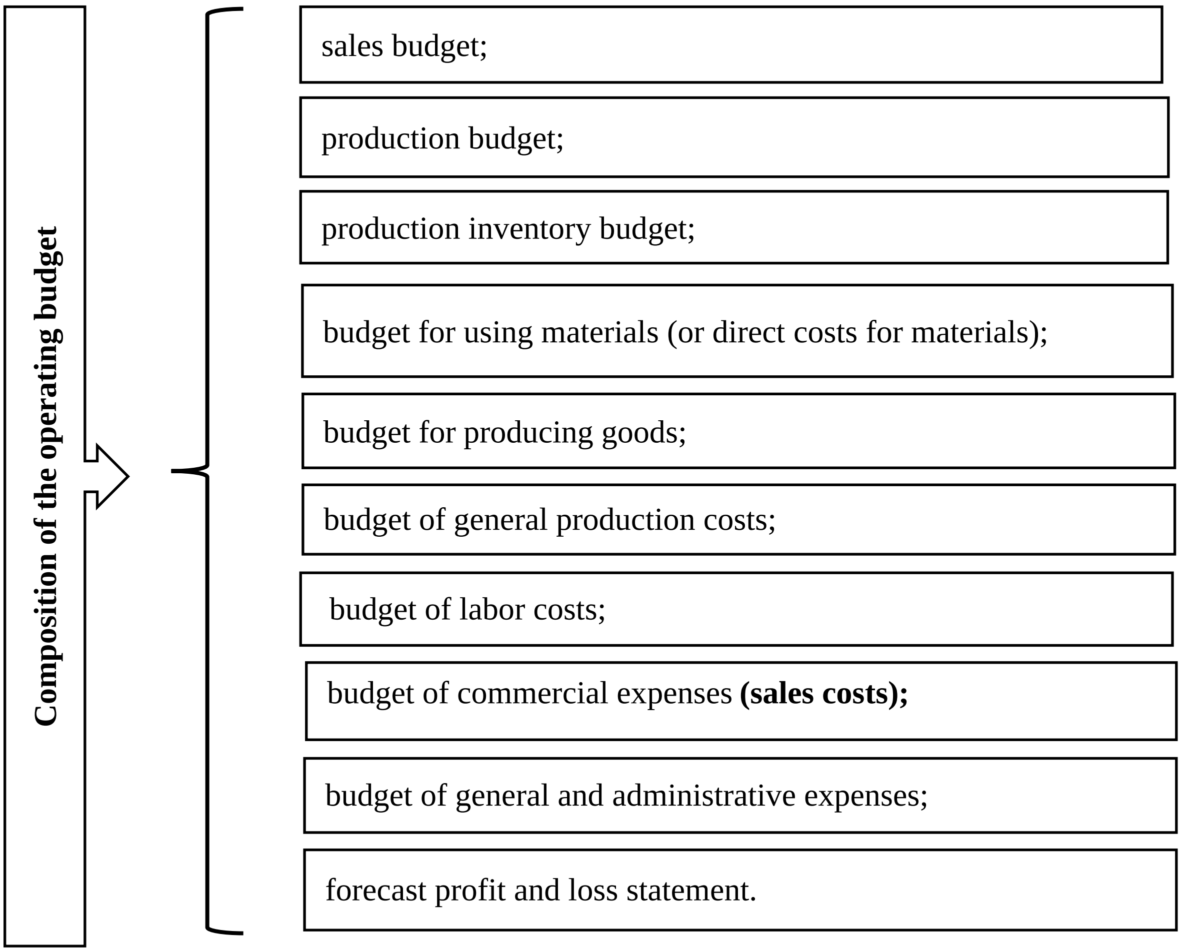

Fig. 6 Composition of the operating budget

Source: formed by the author based on references

When preparing the sales budget, it is necessary to take into account the levels of sales volume for previous periods and analyze several macroeconomic factors, each of which can significantly affect the sales volume and its dependence on product profitability. The reliability of the sales forecast is increased as a result of using a combination of expert and statistical methods.

The sales budget is an important step in drawing up the main budget; the sales estimate affects all subsequent budgets. The sales budget reflects the monthly or quarterly volume of sales in kind and value indicators. The sales budget is made taking into account:

- the level of demand for the company's products,
- sales geography,
- categories of buyers,
- seasonal factors.

The sales budget includes the expected cash flow from sales, which will later be included in the revenue part of the cash flow budget. For the forecast of cash receipts from sales, it is necessary to take into account the collection ratios, which show how much of the shipped products will be paid in the first month (the month of shipment), in the second, etc., taking into account the adjustment for bad debts.

The sales budget and its composition are considered in Fig. 7.

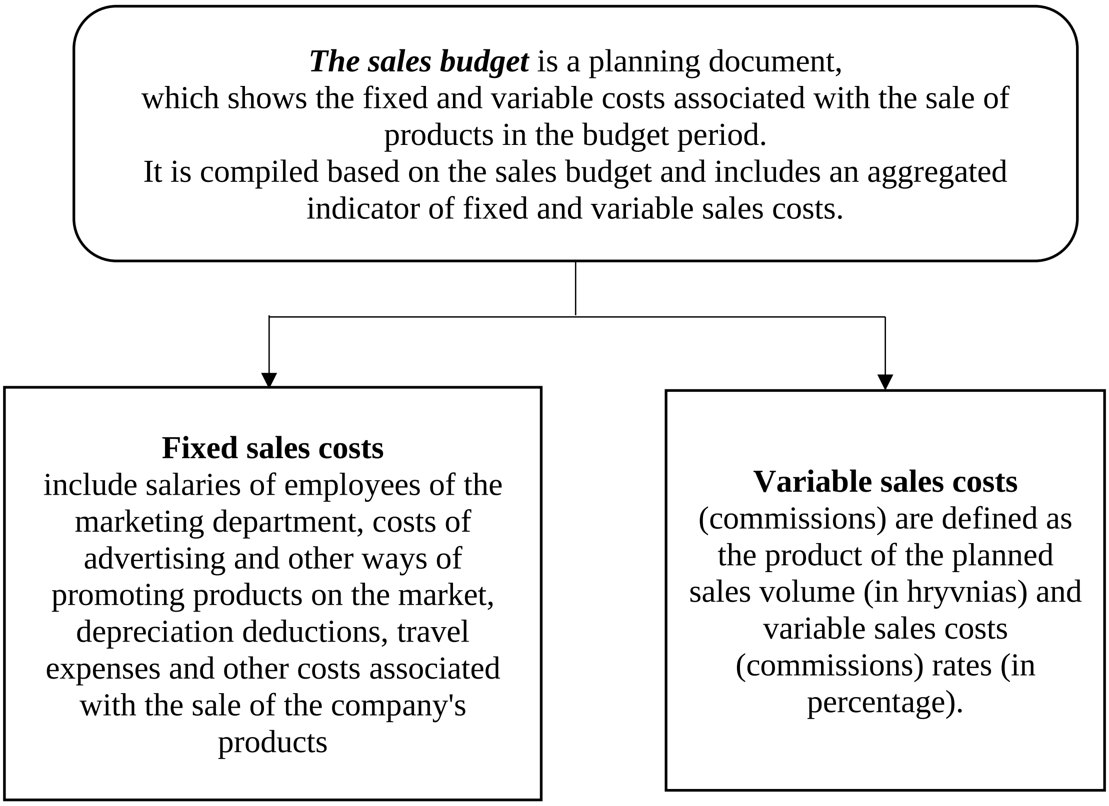

Fig. 7 Content of the sales budget and its composition

Source: formed by the author based on reference [196]

We propose to allocate a separate aggregated component of the company's budget, i.e. the marketing budget, which will combine all marketing components involved in the preparation of the company's budget.

The marketing budget is the company's expenses for conducting market research, information communication with buyers, and ensuring the competitiveness of the product, as well as organizing the flow of goods and product distribution network. Even though the marketing budget usually occupies a significant part of all costs of the business entity, without marketing costs in modern conditions, it will be difficult for the company to ensure the sale of its products and make a profit [197].

So, for example, in the USA, the costs of developing and launching a new product to the market are distributed as follows: 36% of estimated costs are allocated to fundamental research, 7-18% for applied R&D, preparation of technological equipment and, if necessary, 40-60% for the construction of new enterprises, 5-16% for setting up serial production, 10-27% for advertising, sales promotion, organization of product movement, and distribution network. If you consider advertising costs by the amount of profit, they are usually higher than 15%, and for many companies, they are within 30-42% with a stable position on the market and sometimes reach 450% when entering a new market [198].

Formation of the marketing budget is a complex predictive task with a large number of factors that must be taken into account. The factors are in a non-linear interaction with the marketing decisions of the enterprise, which should be taken into account when forming the budget. Precisely because of the procedure complexity, the experience of the company’s management and the analysis of competitors’ marketing costs play a very significant role when determining the marketing budget.

M. Evans offers six steps to developing a marketing budget [199]:

1. Know your sales sequence. Creating an effective marketing budget requires a deep dive into the sales pipeline, where results will be tracked throughout the entire revenue cycle, from prospect to customer. Collecting this data from your marketing automation or CRM software makes this process relatively simple: How many site visits are there per month? How many potential customers are generated per month? How many leads convert to customers (SQL)? What is the cost of generating these SQLs? (e.g. website development, custom content creation, pay-per-click, marketing and/or sales time spent on acquiring these leads, etc.).

2. Determine operating costs: How much time and effort is spent on making contacts? Does the company have the bandwidth needed to do the job? Will additional staff be needed along with costs for paying them wages? How much would it cost to hire a marketing agency?

3. Setting a marketing budget based on business goals. Determination of business goals: What are the business goals of the enterprise for the quarter of the year?

How many contacts does the sales team need to make, based on their bids, to drive enough revenue to meet those goals? For businesses with less than $5 million in revenue, typically 7-8% of revenue is allocated to marketing, which is brand development costs such as websites, blogs, sales, and promotion costs, as well as campaigns, advertising, and other activities. You should not base your marketing budget simply on the funds left after covering all other costs.

4. Positioning marketing as an investment, not as an expense. Most often, marketing budgets are established by the management of the enterprise, where marketing groups are considered to be cost centers, and the marketing budget is perceived as expenses. In this way, businesses consider last year's marketing costs and decide whether they want to spend more or less. Instead, the marketing budget should be viewed as an investment that will ensure a quantifiable and measurable return on investment (ROI) over time.

5. Determination of the stage of growth. If a business is growing, it will have to generate revenue at the highest level faster, so there is an opportunity to make deeper investments in more rapid marketing methods.

6. Understanding current and future trends. Understanding current and future marketing trends can also help guide the budgeting process. When setting a marketing budget, it is important to apply various technologies to the marketing activities of the enterprise to keep up with the pace of industry changes [199].

Advertising is an activity that requires significant expenditures. It is one of the expenditures of the enterprise and, speaking the language of finance, by its essence, it does not differ from any other way of carrying out corporate expenses. The company makes such expenses because it has to, and also in the expectation that these investments will pay off over time. Thus, the company evaluates costs from the point of view of the cost of advertising and the effectiveness of its results. The position of most enterprises in this matter is determined by their financial situation, as well as by developed guidelines and instructions regarding future costs. Thus, the advertiser needs to ask himself the following questions: Are the planned expenses justified? Should they be agreed to? Should they be carried out now? Do they represent sufficient value for money? and Will it be possible to recover this value in proportion to the expenses incurred? All these possibilities claim part of the company’s finances, and advertising must justify itself in comparison with other ways of spending money to the same extent as any other. In addition, it is necessary to take into account in the budget such important factors as measures to organize public opinion and stimulate sales. In addition to advertising in mass media, many enterprises also implement large-scale programs to shape public opinion and promote products in the market. Do you need to create separate budgets for each of these programs? In practice, most companies create a general marketing budget covering all marketing objectives including mass media advertising, public relations, types of advertising involving direct consumer response, sales promotion, telephone marketing, the Internet, etc., i.e. the totality of all measures related to marketing [200].

The evolutionary development of marketing concepts took place together with the development of market conditions of business. Moreover, different periods of the historical development of marketing activity are characterized by the peculiarities of the concepts of marketing management. The concept of marketing, like marketing itself as a managerial reality, undoubtedly evolves and is based on three interrelated principles: maximum satisfaction of consumer needs; full and systematic coordination of the enterprise’s activities; and orientation to long-term commercial success [201, p.42-47].

The scientists conducted a theoretical analysis of the terms “management of marketing” and “marketing management” and came to the following conclusion: along with the differences between the above-mentioned concepts, there is also a relationship, thus management of marketing is aimed at coordinating, ordering and harmonizing the actions of employees of all divisions (specialists) of the enterprise, that, in turn, provide marketing management of the entire enterprise, i.e. management aimed at achieving organizational goals by satisfying consumer needs [202, p.107-123].

Marketing management of an enterprise is a system with a complex internal structure, and each element of it (individuals and functional divisions) is self-sufficient and integrated into this structure, has its internal activity, which opposes it to the environment, creates new forms of interaction, receiving a synergistic effect from such a combination.

Scientists consider the main feature of such a classification of management concepts of marketing to be the "scale" of marketing management, according to which:

a) the concept of marketing management is implemented in practice at the "scale" of the management function and the corresponding department in the entity's management structure;

b) the concept of marketing management of the subject is implemented in the "scale" of the entire management system of the entity [203, p.209-211].

The marketing management system of the enterprise can be represented as a complex system of elements (structural aspect) and actions (functional aspect), which ensure the balance of the marketing activity management system.

The structure of marketing management is multi-level. The model of the complex system of marketing management at the enterprise is presented in Fig. 8.

Therefore, the marketing concept of management is an integral part of the marketing system and it should be considered as a separate philosophy of the enterprise operation.

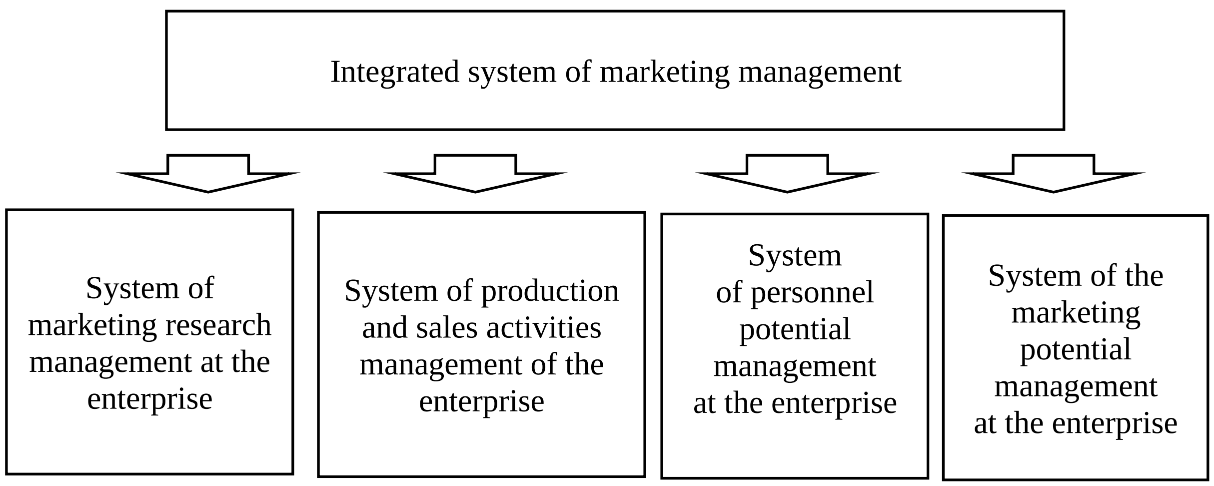

Fig 8 Integrated system of marketing management

Source: [201, p. 42-47]

The marketing concept of management is the main condition for effective marketing activity at the modern stage of enterprise development, which can cover the entire set of marketing tools and direct them to achieving marketing goals. Constituent elements of the marketing mix are subject to this management concept, and its practical application makes it possible to create an effective basis for the management, economic, production, and sales activities of the enterprise. We have already noted that the main task of activities of domestic enterprises is the most complete meeting of consumer demands and organizing their activities in a way that can ensure profit and long-term competitive advantages in the market. At the same time, we understand that enterprises operate in different conditions and have different capabilities, therefore, according to the level of organization of marketing activities, they are divided into three groups [201, p. 42-47]:

– enterprises that have already completely reoriented themselves to marketing as a concept of marketing management and have changed their business philosophy, taking the marketing concept of management as a basis;

– enterprises that use only separate elements of marketing in their activities, i.e. focus on product, price, communication policy, and sales promotion, and at the same time lack systematic and comprehensive marketing management;

– enterprises that ignore the marketing concept of management and do not consider it necessary to be applied (but for the sake of fairness, it should be noted that the number of such enterprises is insignificant).

Today, there is no doubt that business entities should shift to the marketing concept of management based on such principles as comprehensive research of the market environment, production and sales capabilities of enterprises; optimization of the action program, which ensures market orientation of product manufacturers at all levels and planning periods; directing and functioning of all structural subdivisions and links. However, several factors limit the development of the marketing concept of management in Ukraine.

Scientists draw attention to the fact that the mass implementation of marketing in the form of a simple renaming of divisions as well as its unqualified use does not ensure improvement of the results of economic activity. In addition, the reasons for the low efficiency of the marketing activity of domestic enterprises are the lack of professional marketers, the limited number of personnel, the lack of a modern marketing approach to activity by the management, the use of separate elements of marketing instead of a systematic approach to management [204, p. 227-234].

The marketing concept of management is aimed at setting specific current and mainly strategic goals in a sufficiently substantiated manner and based on market requests, as well as the ways of achieving them and real sources of economic activity resources, determining the range and quality of products, its priorities, the optimal structure of production and desired profit. The introduction of the marketing concept of management will contribute to flexibility, elasticity, efficiency, sensitivity, and adaptability to market changes [201, p. 42-47].

The mechanism of implementing the marketing concept of management includes several specific procedures aimed at managing the demand of target buyers since their servicing and comprehensive satisfying of their needs is the goal of marketing activities [205, p.11-14].

The main ways of implementing the marketing concept of management in the activities of enterprises include:

- creation of a full-fledged marketing service;
- development and adoption of market-oriented management decisions;
- organization of information and analytical support for marketing management.

In our opinion, information support plays an important role in the adequate organization of marketing management, since the development of any decision, as well as the operation of the enterprise management system as a whole, depends on the availability of necessary information about possible alternatives and the ability of decision-makers to perform analytical processing of such information. Accounting and analysis should provide the management of the enterprise with information about every management object, but taking into account the development of managerial influences within the framework of the marketing paradigm.

In their research, A. Pylypenko, A. Tyrinov [206, p. 129-138] claim that "marketing management" (can be interpreted as the implementation of the marketing function at the enterprise or organization of marketing activities) does not involve a significant transformation of the accounting function. The emphasis of researchers on marketing management assumes a relative priority of this function, although it is quite clear that the development of managerial influence involves the implementation of a clearly defined list of management functions, among which accounting and analysis are necessarily present. Transformation of accounting requirements can take place if the concept of "marketing management" is adopted (it is revealed, for example, as "the integration of management functions around a marketing paradigm" [207], which will require the expansion of the list of accounting nomenclatures. On the one hand, scientists believe that one should agree with the emphasis [208, p.48-52] on the appropriateness of comparing the requirements of paragraph 44.1 of the Tax Code of Ukraine regarding the need to keep records of income and expenses, on the other hand – marketing management expands the diversity of the object of management, which requires significantly different accounting rules and means of recording information about changes in the state and parameters of such objects. For example, the extended object of marketing management may include the business capabilities of the enterprise, recorded in the Open Group Architecture Framework (TOGAF), which is the standard for enterprise architecture modeling [209]).

From the point of view of marketing management, the tasks of using product analytics metrics are also changing. Such metrics should already be used not only for the operational management of marketing activities but also to transform the outlines of marketing management of enterprise development. Such a requirement requires the development of rules for qualitative changes at the levels of individual characteristics, which are described by analytical nomenclatures. At the same time, we are talking about marketing support for the development of the enterprise [206, p. 129-138].

The initial source of information is operational accounting data. However, the accounting data do not ensure sufficient awareness of the management apparatus of the enterprise about the progress of the planned tasks, the achievement of high or low indicators, the factors affecting them, about the causes of positive and negative deviations in the business operation. For management, it is important to study accounting and reporting data, i.e. to analyze, and understand the processes taking place, to make decisions on improving the operation of the enterprise. The study of accounting data by transforming it into a wide range of economic information, its processing, and use in management is achieved with the help of analysis [210, p.270-274].

The essence of the concept of analytical support for enterprise management involves applied methods of information accumulation, methodical construction of indicators, and their analytical interpretation in the management system. The decision is considered taking into account its priority and a set of factors affecting the success of its implementation. Therefore, under the conditions of a constant increase of significant information flows, no modern business entity can successfully work on the market without proper information and analytical support [211].

It is expedient that such activity should be based not only on the principle of “stating the facts”, but also on the principle of “anticipation of events”, which will make it possible to predict the future state of the object of analysis. Analytical support for the marketing activities of any enterprise as a system must provide high-quality information, otherwise, its usefulness will be lower than the resources spent.

In addition, the importance of analytical support for marketing activities is determined by the fact that “the significant spread of multimedia communication tools, which enable the integration of various forms and types of media content based on a single interactive platform, created conditions for the formation and development of a system of new information products and services that promote the implementation of communicative and active interaction with the audience. New media resources are information products that combine three main directions (3Cs): computer and information-communication technologies (ICT); communication systems and networks; and content (digital information). In recent years, a fourth Cs has been added to these three directions, namely convergence, which today is a driving factor in the formation of a new media infrastructure and effective communication interaction of specialists in the process of professional activity" [212].

The analytical system is a basis for developing effective management decisions to ensure the functioning and development of the enterprise. Analytical information makes it possible to perform general and specific management functions (especially planning, control, and marketing functions).

The function of analysis of marketing activity remains relevant when it comes to any calculations. Due to analysis and monitoring of fulfillment of marketing objectives, the collected results and goals can be compared at the management level, so there occurs some feedback, the plans get adjusted, and the results of control and analysis serve as a basis for planning future activities of the enterprise [213, p.139-145].

I. Abramovych demonstrates different views of scientists regarding the analytical function, thus some of them consider the analytical function as a systematic process of measuring and evaluating the results of implementing marketing strategies and plans, fulfilling corrective actions that ensure the achievement of marketing goals, and the control of marketing activities is presented as a comprehensive objective check of the marketing activities of the enterprise, which is carried out in a certain sequence, during which the problems that the enterprise may meet are revealed. Others define the analytical function as a set of goals and tasks of a control nature, which are implemented by the marketing service through vertical and horizontal links [214, p.52].

Therefore, it can be concluded that this function represents a deep analytical work, as a result of which the enterprise management abandons inefficient management methods due to clear control and monitoring of all activities.

The advantages of information support of business activities are obvious. They include expanding the scope of using information and analytical data for making effective management decisions in different time horizons; improving the quality of documentation and reporting in the process of their preparation and formation; and increasing the effectiveness of business operation in terms of product sales.

Information support of business activities can be carried out in various forms, in particular:

- strategic;
- accounting,
- logistic;
- organizational;
- marketing.

Based on the conducted research, we believe that the tasks of information support of marketing management at the enterprise should be the following:

- enhancement of the scientific validity of the enterprise’s marketing activities, standards of its work, and managerial decisions, especially of a strategic nature;
- search for reserves to improve activities related to the provision of services and their information and analytical support;
- assessment of the effectiveness of the use of information and analytical resources;
- creation of foundations for planning and adequate assessment of results;
- analysis of the state of the enterprise’s marketing activities, preparation of information and analytical materials (information certificates, accounting and analytical information, etc.).

Drawing up a marketing budget will let you set priorities between the goals and strategies of marketing activities, make decisions on the optimal allocation of resources, and carry out effective control. The marketing budget is formed simultaneously with the budgets of other functional divisions of the enterprise. It is not considered separately, since all costs of the enterprise are interrelated and only joint operation of all services can make it possible to achieve the optimal distribution of funds for various activities and measures.

Sales revenue projection is based on the following types of forecasts:

- sales volume by periods – this data is presented as a temporary function to demonstrate expected growth and seasonality. Multiple forecasts of sales volumes are often useful. Conservative, i.e. the most probable, and optimistic forecasts are usually given;

- sales volumes by products and services – if a marketing program containing many products is being developed, it is advisable to display the sales volumes for each item separately, because this makes it possible to assess the relative effectiveness of each type of product. Each type of product should be shown considering its features including retail sales, service, consulting, etc.;

– sales volumes by consumer groups – companies spend too much effort on activities aimed at the consumer, or instead they spend efforts on trying to attract a certain target audience. For example, if the target audience of the company's products is older consumers, marketing money spent on social media campaigns may not be effective in attracting them, so you need to focus on your audience, the form of communication it is more likely to respond to, and the kind of relationships that is the most appropriate;

– market share – determination of the percentage of total sales volumes on the market that the company is going to provide.

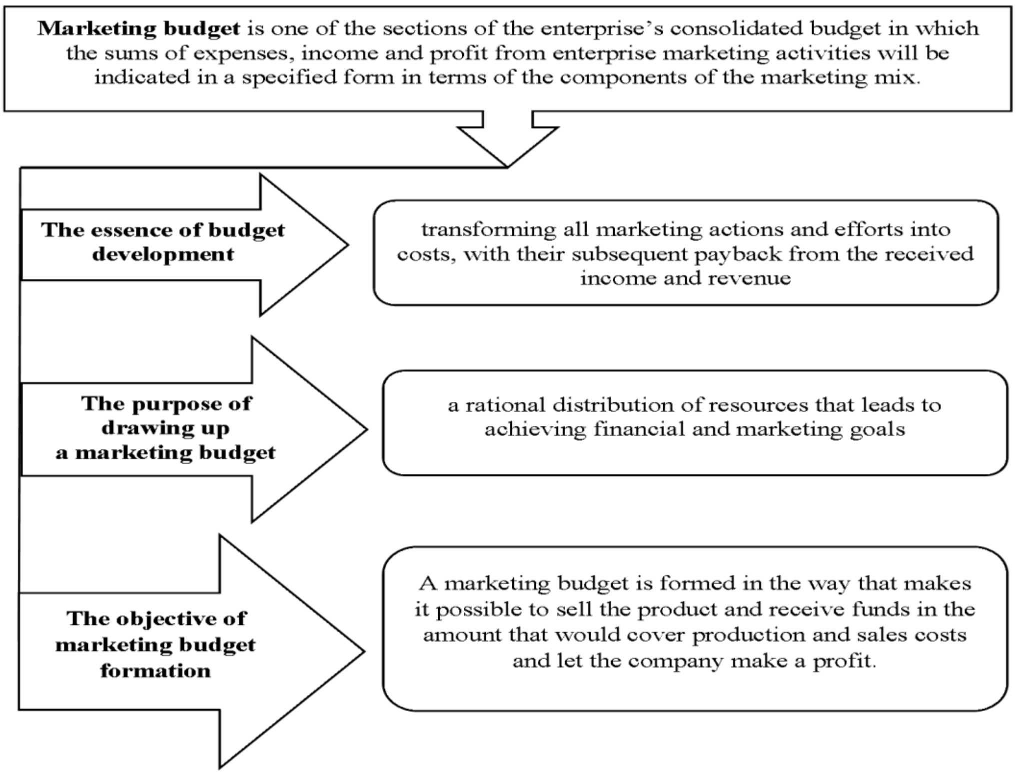

Fig.9 The essence, purpose, and objectives of the marketing budget formation

Source: formed by the author based on references

The methods for developing a marketing budget are as follows:

– financing from opportunities, which involves establishing a budget based on the current capabilities of the enterprise, used by companies that are oriented to production, not to consumers (this technique is also called financing according to the residual principle);

– price list method – the marketing budget is formed based on data on the expected sales volumes, total costs, and a planned amount of the target profit. In this case, the marketing budget is the difference between the amount of gross profit and target profit. Gross profit is determined by sales minus variable and fixed costs;

– fixed percentage method, which is based on determining the share of last year's or planned sales volumes This is the simplest, but subjective method, since market trends are not taken into account, and the percentage is set by management;

– the method of competitive parity – the level of marketing costs is set at the level of expenses that are close to the expenses of competitors on the market, but it is unlikely to accurately determine the size of the marketing budget of competing enterprises, in addition, the budget chosen as a sample may not meet the goals of the enterprise;

– the method of maximum costs, which involves spending a maximum amount of money on marketing. In this case, the optimization of activities is ignored, which can lead to financial difficulties;

– the meta-objective method, which is based on the calculation of costs from the implementation of marketing activities, any marketing action must meet the set goals, and the costs should be correlated with the expected benefits;

– the method of marginal income, which is based on the previous analysis of the company's activity results, the results of this study revealed actual dependencies between changes in sales volume and marketing costs;

– the method of the marketing program accounting, which is a combination of the two previous methods. It involves a careful analysis of the costs of achieving goals in comparison with the costs of other possible combinations of marketing means [215].

Depending on the stage of the enterprise's life cycle, the release of certain types of products, and seasonality, some key indicators may change, which automatically implies changes in operational management reporting, provided that strategic performance indicators are stable. Let's define the features of adapting such a system for food industry enterprises, including bakeries:

1. Cost optimization. First of all, a system of optimization of costs for raw materials and materials is introduced.

2. Control of the profitability of various types of products. Analysis of assortment matrices, sales channels, segments, and substitute goods, etc.

3. Timely and reliable management reporting. Use of mobile operational reports.

4. Integration of the quality management system and budgeting for operational and strategic management accounting and control as well as management decision-making [191, p. 13-15].

"Budget of Marketing Costs" is the planning document for accumulating and summarizing marketing costs.

The budget of a marketing event makes it possible to compare the extent to which planned aggregate costs for a certain marketing event are reimbursed from planned revenues, and what amount of marketing costs for projects that are in the state of implementation is included in the budget. In the planning period, this will help coordinate the sources of the company's resources with the directions of their use to make a profit. When estimating costs for a certain marketing event, the main attention should be paid to determining the amount of costs and standards for determining the cost of reimbursement of overhead costs, taking into account the operating conditions of the organization in the planning period, the organizational conditions provided for by the organization's projects, the results of the analysis of the level of costs for the measures that have already been completed. The planned local project estimate and the scheme of financial flows for each marketing activity are basic source documents for the formation of a consolidated financing budget for the enterprise as a whole. To obtain more thorough information about marketing costs, it is planned to develop such forms of accounting registers for enterprises that carry out marketing activities as "Calculation of the estimated cost of a marketing event" (a planning document for accumulating and summarizing marketing costs by expense items for the entire event, for the current year and by quarters), "Accounting card of actual marketing costs" (to display the actual value of expenses provided for in the estimate for each month and the cumulative total since the beginning of the year) [187].

At the end of the reporting period, it is advisable to form "The report on the deviation of the planned (budgetary) values of marketing costs from the actual ones", which shows the expenses provided for in the estimate, their actual value for each type of expenses, the volume of deviations, reasons, their significance and measures for each type of deviations.

It is possible to analyze deviations of actual costs from those planned in terms of cost items using "Information on the control of marketing costs by items", which should be used to ensure systematic and comprehensive control of implementing the budget for marketing costs.

Taking into account the analysis of scientific sources, and sharing the opinion of scientists, it can be concluded that there is a need to introduce the marketing budget into the budgeting of enterprises in the operational budget of the marketing budget, as an effective tool for the rational distribution of resources of the business entity, which will make it possible to achieve both marketing and financial goals.

To improve financial results from the sale of products, we propose to implement the marketing budget in the system of enterprise budgets in the proposed sequence of stages of its implementation, which will ensure the receipt of a reasonable amount of funds that the business entity can allocate for conducting marketing activities, operational information about the nature and causes of deviations, give the ability to control them and make decisions about regulatory measures. Thus, the introduction of harmoniously interrelated marketing sub-budgets into the budgeting system of economic entities will make it possible to achieve an increase in the level of efficiency in the management of product sales costs, and it will become a reliable information basis for managing financial and economic activities of the enterprise [166].

The effectiveness of budgeting tools is ensured by the end-to-end interconnected system of strategic and operational management based on constant monitoring and analysis of the obtained indicators according to the principle "from strategic goals and their indicators to processes and their indicators and vice versa". Achieving target indicators is the result of developing management regulations and performance criteria that reflect the influence of the quality of the process execution and organizing enterprise's activities on the quality of products [191, p.13-15].

Controlling is one of the management technologies that can ensure the improvement of management effectiveness at bakery enterprises. The controlling system has been used by foreign specialists for quite a long time, and the operation of enterprises of numerous developed countries confirms the effectiveness of its application. In Ukraine, the process of implementing controlling methods has been going on for some time and they are becoming more and more important and widespread.

Controlling is known as a system of informational, analytical, and methodical decision-making support in the field of management to ensure the effective functioning of the enterprise, formation, development, and maintenance of its competitive advantages from a strategic perspective. At the same time, controlling is considered as the main link in the system of integration of management decisions and analytical apparatus in the company [216].

The controlling service develops strategic goals of the enterprise as a whole and its subdivisions, determines measures to achieve the set goals and controls financial and economic activity of structural subdivisions. In addition, it optimizes and controls all information, material, and financial flows.

The main functions of controlling, which must be implemented to ensure the achievement of the listed goals and the fulfillment of the specified tasks, are as follows:

- goal-setting – establishment of the main strategic goals of the enterprise;
- informational – formation and processing of information used in decision-making;
- planning – development and implementation of strategic and operational plans;
- accounting and control – comparison of actual results with planned ones;
- analytical – analysis of the main controlled indicators;

- commenting – development of options for alternative solutions.

The main function of controlling is to support management decision-making by the enterprise management, and therefore to perform consulting functions. For effective use, controlling elements implementing these functions must be mutually supportive and consistent [217].

Marketing control is the process of measuring and evaluating the results of the implementation of marketing strategies and plans, as well as the introduction of corrective actions that ensure the achievement of marketing goals [218].

Control completes the cycle of marketing management and at the same time initiates a new cycle for planning marketing activities. When performing the control function, it is necessary to use some regulations and standards that reflect the expected level of the evaluated characteristics.

The main tasks solved by controlling can be divided into three main areas: planning tasks, tasks of information support and notification, and tasks of control and regulation.

The tasks of controlling are aimed at the implementation of any actions related to the realization of its goals (for example, ensuring and maintaining the coordination, sensitivity, and adaptation of the management system) and thereby the fulfillment of the company's goals. Hence, along with the general tasks (planning, information provision, regulation, and control), there are also special (variable) tasks (collection and processing of data about the external environment, audit, etc.) of control.

According to Fig. 10, four types of marketing control are highlighted, in particular, control of annual plans, control of profitability, control of efficiency, and strategic control.

Control of annual plans involves evaluation and adjustment of the level of fulfillment of annual tasks by the volume of sales, profit, and other indicators in terms of separate markets. When controlling annual plans, the sales analysis, market share analysis, analysis of marketing costs and sales volume analysis, financial analysis, and analysis of opinions of consumers and other market participants are provided.

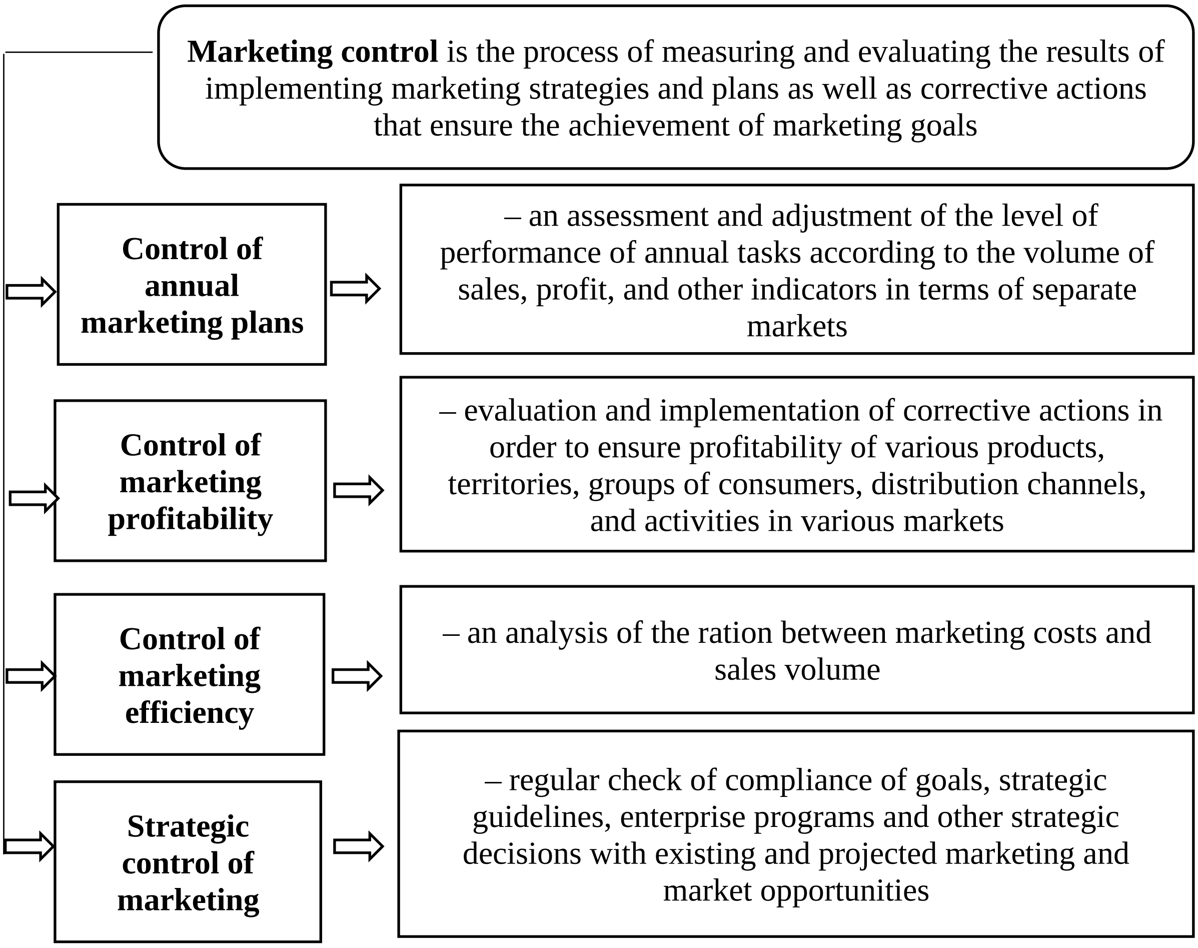

Fig.10 The essence and types of marketing control

Source: formed by the author based on [218, c.74].

Sales analysis involves the measurement and evaluation of actual sales volumes for various goods in various sales markets regarding the goals set in this area.

Market share analysis is aimed at clarifying market positions concerning competitors. Let's assume the previous analysis showed that the sales volume increased during the year. This increase can be caused by both a favorable market situation, which can also exclude competitors, and an increase in the efficiency of this company's activities concerning competitors. Analysis of market share should show whether or not the competitive position of this company has strengthened. If competitors use a favorable market discount to their greater advantage than this company, a situation may arise when the sales volume of this company increases and the market share indicators deteriorate. Consequently, its competitive positions lost value.

Control of profitability control is the assessment and implementation of corrective actions to ensure the profitability of various products, territories, groups of consumers, distribution channels, and activities in various markets. This control can be carried out on a different temporary basis, i.e. weekly, monthly, quarterly, etc. It can become part of the annual control. Suppose the analysis of the level of profitability shows that the sale of a certain product is unprofitable in a particular market. In this case, there arises a question of whether there are more effective methods of organizing the activity of sellers, launching advertising campaigns, promoting sales, and organizing the delivery of goods to consumers. This question can be answered by controlling the effectiveness of marketing activities.

Control of marketing effectiveness is carried out in the section on individual elements of the marketing mix.

As part of the control of the product policy, the characteristics of individual products, their labeling and the quality of packaging are evaluated from the point of view of consumers. Prices are analyzed from the point of view of consumers and resellers, compared with the prices of competitors.

Control of activities in the field of product promotion is aimed at evaluating the effectiveness in the field of product promotion, advertising campaigns, and other elements of the product promotion complex (stimulating trade and consumers, holding fairs and exhibitions, etc.).

Control in the field of bringing the product to the consumer is divided into two parts: assessment of the effectiveness of functioning of particular sales channels, including assessment of the level of after-sales service and complaints, and assessment of the effectiveness of the sales service. In the latter case, control over the implementation of planned tasks for the sale of goods is carried out in terms of individual product groups, markets, and sales agents.

Strategic marketing control is a regular check of compliance of goals, strategic guidelines, enterprise programs, and other strategic decisions with existing and forecasted marketing and market opportunities [219]. The purpose of strategic marketing control is to assess the ways the company uses available opportunities and their effectiveness, identify the problems and new opportunities, as well as develop recommendations for increasing the effectiveness of marketing activities.

The tasks of strategic control are as follows: determining the adequacy of choosing the company's goals and the goals of marketing activities; verification of compliance of the chosen strategy with the conditions of operation; verification of the company’s implementation of potential opportunities regarding sales markets, target groups of consumers, goods, distribution channels.

Strategic control is carried out in the specified sequence: 1) study of conditions of the external environment of the enterprise, identification of trends in their change, and study of prospects; 2) review of established marketing goals and programs and determination of their compliance with the conditions of the external environment; 3) study of compliance of the main elements of marketing activities with sections of the adopted marketing program.

To ensure an effective cost management process, cost controlling is used as a part of the controlling system that provides informational, methodical, and organizational-coordinating support for the cost management process of all functional types of the enterprise, aimed at achieving its main goals [220].

The goal of managing marketing costs is to reduce or optimize marketing costs and increase the profitability of the company’s marketing activities. It includes optimizing the structure of costs, increasing the value of products created at the enterprise, and minimizing the share of costs in the “cost-income” ratio.

Therefore, management of marketing costs is a process of purposeful formation of costs according to their type, place of origin, and medium, under the condition of constant control over their level and ongoing optimization with the aim of reduction.

One of the most important prerequisites for the introduction of controlling at enterprises is a thorough study and improvement of the existing system of operational controlling indicators.

Controlling of marketing costs involves checking of the composition, structure and amount of costs, a comparison of the values obtained with standard values, analysis of deviations and their size.

The main tasks of controlling marketing costs are as follows:
– periodic research (monitoring) of the dynamics of costs and factors affecting them;
– detection of deviations of actual indicators from the planned ones;
– analysis of identified deviations, justification of the need to adjust plans.

Fig.11 The essence and controlling of marketing costs

Source: formed by the author based on references

It is the basis of the operational control activity of the enterprise and it helps when regulating the processes at the enterprise. Another necessary condition for effective controlling of marketing costs is the methodical and methodological base, which the performance of each function of controlling costs is based on, including optimization methods of decision-making management, as well as the development of organizational and economic principles for the interaction of functional units of the enterprise, which are involved in the implementation of controlling.

Analysis of the ratio of marketing costs and sales volume allows the organization to assess the effectiveness of marketing costs and determine their most acceptable value. This analysis is usually carried out regarding individual components of marketing costs, so the values and dynamics of such ratios as advertising costs to sales volume, marketing research costs to sales volume, sales promotion costs to sales volume, and salesperson costs to sales volume are studied. The results of this analysis should be evaluated from the point of view of the financial activity of the organization as a whole. This is necessary to understand what and where the organization receives money from.

Based on the research conducted, the following conclusions can be made:

– an effective system of controlling marketing costs will help to significantly reduce risks and make it possible to consolidate the results for further growth;

– since controlling marketing costs, unlike cost management, is not aimed at solving problems, but rather at identifying and preventing them, the system of controlling marketing costs is implemented mostly not to eliminate crises, but to prevent them and minimize risks;

So, it can be concluded that management of the enterprise and its development strategies, in particular a marketing strategy, is a complex process accompanied by various information flows.