

Marketing tools of innovation development management

Herramientas de marketing en la gestión del desarrollo de la innovación

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ABSTRACT:

This article concerns a system of the innovation development management. Marketing management is sometimes interpreted as a synonym to management marketing. From our point of view, the marketing management is the broader concept, which should be studied in a company communication system, focused on the rational use of resources and its stable development as an economic subject. Marketing tools of innovations development management are represented by a set of different communicative strategies aimed at parts of an interaction in its marketing communicative field.

Keywords: management, communicative strategies, marketing effectiveness assessment, marketing environment analysis

RESUMEN:

Este artículo se refiere a un sistema de gestión del desarrollo de la innovación. La gestión de marketing a veces se interpreta como un sinónimo de marketing de gestión. Desde nuestro punto de vista, la gestión de marketing es el concepto más amplio, que debe estudiarse en el campo de la comunicación. Las herramientas de marketing de la gestión del desarrollo de la innovación están representadas por un conjunto de diferentes estrategias de comunicación.

Palabras clave: gestión, estrategias comunicativas, marketing evaluación de la efectividad, análisis del entorno de marketing

1. Introduction

1.1. Conceptual apparatus of the organizational and economic mechanism of enterprise management on the principles of marketing and management

Development of the organizational and economic mechanism in the enterprise management

assumes more accurate definition of its conceptual construct content. Content of such concepts as "marketing management" and "management of marketing" are interpreted from different points of view in scientific and educational literature. So, "management of marketing" directly depends on the state of demand. It is possible to say, that "management of marketing is both a feedback for demand and management of demand. The concept "management of marketing" represents a scientifically justified aim of a company activity, which includes the main idea (mission) of a company, operative tools of the main idea implementation and a list of major goals which a company is striving to achieve (Eremin, 2006). In its turn, the term "marketing management" of the enterprise points that marketing belongs to business processes in the system of management, i.e. designates significantly management of the enterprise, built on principles of marketing. Marketing management takes place when at least one of the potential members of exchange develops and uses measures of the desirable response gaining. Enterprise builds its business relations according to its resource capabilities, motivation for obtaining desired result (some benefit or other) and combined integrative multiplication effect from the action of the communicative resonator when interaction with various market subjects (Schepakin & Khandamova, 2015). Marketing management assumes *reorganization* of a company's inner and external links and its marketing behavior (Schepakin, 2015), focused on the perception (permeability) of marketing modulations, marketing mimicry by the "state of external environment" factor (Schepakin & Khandamova, 2016), increase in subject competitiveness through development and actualization of innovation tools in the direction of reaching balance of interests and satisfaction of demands of the interacting parts for the benefit of individual, employee, business and state welfare (Khandamova & Schepakin, 2015; Kotler, 2004; Mishulin, 2013; Mishulin & Taranukhin, 2011; Schepakin, Fitsurina & Tretyakov, 2012; Schepakin & Kuznetsova, 2015). Foreign researches traditionally consider the marketing management in the following aspects:

- art and science of target markets selection, keeping and attracting new customers by creation, supply and fulfilment of communications in respect of valuables significant for them (Clancy & Krig, 2006);
- science of brand architecture construction, which is in the first place not the object of an advertising campaign, but the form of business, aimed at maintaining the brand loyalty, creating brand perceptions, focusing at customers' demand increase (Eremin, 2006);
- coordination and control system of functional marketing subdivisions (Belyaev, 2005).

Russian marketing specialists propose their own variants of this term interpretation. Marketing management is the process of the situation analysis, planning, implementation of plans and control, which is based on principles of mutually-beneficial exchange for all parts, bringing, besides economic benefit, a feeling of complete satisfaction to each of them. "Marketing management is the highest form of marketing in general". Management of marketing despite the marketing management represents a set of procedures and actions aimed at organization of marketing activities in the enterprise (Schepakin, 1998).

Study of domestic and foreign publications on marketing, logical analysis of their content, comparison of different viewpoints of specialists showed that in domestic and foreign papers on marketing there is no consensus about use of the term "marketing management". Marketing management is sometimes interpreted as a synonym to "management of marketing". According to our opinion, "marketing management" is a broader term, which should be considered in the company communication system of an enterprise, focused on the rational use of resources and its stable development in the frameworks of unified motivation field of subjects of market relations (Mishulin, 2013; Schepakin & Khandamova, 2015). The term "management of marketing" determines the system use of separate marketing tools in commercial activity of an enterprise. Thus, conceptual terms referred to the field of marketing, should be considered in the interconnection of factors determining the place of this system in the paradigm hierarchy of development which formed as a result of the market reformation and dynamization of functioning conditions of economic environment subjects (Mishulin, 2013; Schepakin & Krivosheeva, 2015). The following definitions can be given on the basis of the generalized critical analysis of available content elements:

1. *Process of marketing management* of the innovative activities represents a synthesized use of the innovative management and marketing tools, which is combined with components of the system of motivation at realization of manpower resources innovation potential which allows restructuring company managing elements in accordance with external environment demands.

2. *Mechanism of the marketing management* of innovations mechanism represents a totality of organizational, structural and communication elements. All of them are interconnected in such a way that they are able to provide effective production system operation and form a competitive environment wherein motivations of subjects are focused on the harmonization of their interests, rational use of all forms of resources, as well as increase of scientific and technical production potential of the enterprise in the interests of better satisfaction of the needs of the target pressure groups.

1.2. Principles and tools of marketing management of innovation activities

These terms give the base to come to the organizational and economic mechanism of marketing management in a different manner, as a totality of methods, methods and tools of communication adaptation to strategic and tactic opportunities of the company in the interests of satisfaction of needs of target groups and gain of set goals (profit increase, image consolidation, market expansion, etc. Prerequisites of the mechanism formation are the development of the science-intensive production, raise of intellectual property significance, increase of the human factor role in the development of innovative products, conversion to the intensive type of reproductive performance (Khandamova, 2006). The basis of marketing management mechanism building are principles which stipulate the use of the marketing management tools for forming and commissioning technological and commercial stock-piles of new (or improved) products and technologies, creation of process innovations which lead to saving of the most expensive purchase recourses and decrease in fixed; carrying out marketing researches by new products, market segments, as well as test placement of innovative goods.

Modern marketing science highlights about twenty tools of the marketing management (Table 1).

Table 1
Tools of the marketing management tools of innovative activities.

Blocks of marketing tools	Tools of marketing management
Executive	marketing organization marketing efficiency assessment marketing environment analysis technological processes assessment
Market-strength	collecting, systematization, analysis of marketing information, pricing
Commodity-capacitive	segmenting determination of marketing targets and strategies
Positional	differentiation of target markets choice of activities directions
Trademark	study of a trademark attractiveness formation of tangible-intangible benefits

Communicative	integration of marketing communication rationalization of resources rationalization
Innovative and motivational	motivation development of innovations penetrability perceptibility
Consumer	influence: use of electronic commerce tools, direct response marketing, ATL and BTL- tools; advance: sales stimulation, trade marketing business process improvement, service, distribution; control: project implementation control, assessment of activities effectiveness, investments profit assessment.

Source: Prepared by the authors.

Balanced by structure use of marketing management tools in building an organizational and economic mechanism will assist in construction of the effective communication policy both inside a company when creating innovative products and with the external environment when promotion of this products for entering desired paces of enterprise economic growth and providing "closed" informational cycle which will allow accumulation and maintaining the needed analytical information (Schepakin, Mishulin & Kozhura, 2005).

1.3. The process of marketing management of enterprise production activities

The process of marketing management of enterprise production activities is implemented through tools of marketing and communication policies. The communication processes in the context of functionality should include activities and procedures connected with organization, coordination of balance gaining of all subjects of market relations. Communication policy implementation should be based not only on the rational marketing management tools use, which are included into consumer block, but also on the use of innovations creation tools, rationalization of resources, stimulation and motivation of the active interaction of all enterprise subdivisions in a single communication field. Effective implementation of the marketing management process is impossible without certain motivation system of all subjects of market relations which are built and maintained by stimulation system focused on the search for mutual profitable economic interests and attainment of their consensus (Khandamova & Futsurina, 2006).

Adjustment of the organizational and economical mechanism of a company marketing management for the rational functioning in the real conditions of its resource capabilities and market environment should be implemented through commissioning the marketing adapter, which acts as a linking element of all internal and external bonds of the enterprise in the conditions of the specific market. Marketing adapter components depend on the enterprise size, type of activity, organizational and legal form, resource availability. Main components of the marketing adapter are communication and information system of the enterprise marketing, technologies and methods of marketing management, marketing staff, the sum of personnel attainments and skills, their joint values, which can be integrated into quantitative indices, allowing assessment of the company's operation effectiveness.

1.4. Results. Using an integrated assessment of a set of private indicators of marketing activities

Structural elements of the marketing adapter are represented through components of marketing efforts: study, stimulation, promotion. Study, stimulation and promotion are three directions of marketing efforts which determine tools of both the marketing management mechanism and the marketing adapter. Their effectiveness is calculated on the basis of the integrated assessment of the set of separate indices. This assessment includes indices of a company's activity calculated by the following directions:

- study – assessment of carried out internal and external marketing audit, analysis and assessment of available marketing programs effectiveness, analysis of consumers and market assessment (determination of criteria of market attractiveness is for each segment), target audience and competitive strategies and tactics assessment;
- stimulation – assessment of each employee's contribution into the innovative activity of the enterprise, taking into consideration differences between innovative capability of a head and an employee. Lack of the unity in the use of innovative creative capabilities of a head and an employee "washes out" the combined entrepreneur resource, makes it weak and vulnerable in the market competitive environment;
- promotion – demand making and sales stimulating assessment made on the bases of the 5C system use for innovative product promotion (consumer, cost, convenience, communication, competition), characterizing each component of this system.

An integrated use effectiveness index of each **i-th** marketing effort based on assessment of separate indices is calculated according to the formula:

$$SSA_i = \sum_{j=1}^j S_{ij} * n_j \quad (1)$$

where S_{ij} – **i-th** single effectiveness index of the use of **j-th** marketing effort;
 n_j – significance of **i-th** single index in the total assessment system.

S (study) and A (advance) indices are directly connected with each other. Consumers study, taking place in the communication field, can be a decisive factor in the innovation fate. The further policy of entering an innovative product in the market, form and character of its life-cycle depend on the obtained data on parameters of potentially customer audience. Despite the fact that research tools are often used in marketing activities, there is no clear developed approach to carrying out researches for innovation products when assessment of enterprise marketing efforts.

A composition research should be fulfilled to assess innovative product models, which includes the study of product utility values by measuring the significance and contribution of its certain characteristics achievement of market targets, obtained through polling experts and potential consumers. Then summation of obtained assessments of the innovative product utility is fulfilled by expert and consumer groups. This method is based on the assessment of certain product properties by different groups of experts and customers. Ratio of expert or consumer group to the innovation product under study is determined by the formula:

$$I_{km} = \frac{1}{SSA_i} \sum_{s=1}^s a_{ksm} \quad (2)$$

where a_{ksm} – **k-group** assessment of an object under study by the property (**m**);
m – index of feature of an object under study, $m=1,2,3,\dots, m$
k – consumer or expert group.

To carry out such study, it is necessary to provide argued set of product features which would be perceived separately from each other and meet the market situation demands. Stimulation is the other not less important part in assessment of marketing efforts, which includes a motivation system focused on subjects of economic relations with the aim to activate innovative activities of the production enterprise. It is recommended to assess the comprehensive analysis of the motivation level for each subject at all stages of the

production life cycle. For this purpose it is possible to use the known method of motivation matrix building (Schepakin 1998), as well as the other methods including those which were developed by authors. Analysis of motives and features of communication gives the opportunity to determine tasks and choose stimulation methods for every subject when developing, creating and implementing the innovative product.

There exists a special scale which experts use to assess marketing efforts. Managers and leading specialists of the enterprise can be engaged as experts. Marketing efforts, which are absent at the enterprise, are assessed as 1 point, poorly demonstrated – 2 points, clearly demonstrated – 3 points. Assessment of each marketing effort obtained in such manner represents the average weighted point

$$S_{ij} = \frac{1}{n * m} * \sum_{i=1}^m k_i \sum_{j=1}^n g_j \quad (3)$$

where g_j - point assessment by j-th expert (j) for i-th effort demonstration degree;

n – number of experts;

m – number of considered factors;

k_i – importance coefficient of the i-th effort.

marketing efforts will assist in highlighting strong and weak points in enterprise innovation activities and harmonize them in the direction of creating rational marketing programs focused on the study of new markets and development of existing markets, as well as conquest of new consumers and keeping the old customers. Marketing efforts effectiveness for each type of enterprise will be determined by its capability to adjust the mechanism of its functioning by the “market dynamism” factor.

2. Literature review

Theoretical and methodological base of the research are the fundamental provisions formulated in the works of domestic and foreign scientists on scientific and applied problems of marketing, marketing management, marketing audit and international business. In the course of the work on the study, the main topics and related works of such domestic scientists as G.L. Azoev, I.A. Arenkov, E.F. Avdokushin, G.L. Bagiev, D.I. Barkan, V.V. Burtsev, B.C. Gasparov, E.P. Golubkov, V.A. Goncharuk, TP Danko, S.G. Kovalev, V.M. Kudrov, I.S. The Queen, S.V. Nikiforov and many others.

At the same time, due to the historically prevailing development of marketing science abroad, the study is largely based on the works of foreign scientists, among which, first of all, should be noted such as: O. Wilson, A. Wood, J. Grashof, K. Jackson, K. Jones, K. Sommer, F. Kotler, R. Crisp, R. Kühn, R. Lash, M. Macdonald, S. Majaro, H. Meffert, M. Mokwa, J. Naylor, A. Oksenfeldt, G. Rote, B. Sire, R. Seshshins, P. Friz, M. Hammer, M. Harvey, R. Hall, J. Heciman, J. Champi, A. Shukman, B. Enis.

3. Materials and methods

To solve the tasks set in the work, such general scientific methods as scientific abstraction, deduction and induction, the method of historical and logical unity, a comprehensive approach, comparative and system analysis were used.

4. Discussion

The troublesome aspect in the activity of production enterprises is the development of innovation projects, which take into consideration resource capabilities, state of the internal and external environment of an enterprise, its production and other potentials. Marketing efforts of production enterprises in respect of innovative products creation, ensuring of its quality and promotion activities are insufficient in the conditions of a market environment competitive state (Schepakin, 1999).

Technological processes aimed at a new product creation proceed from the need to follow objective tendencies of scientific and technical progress. Social needs cause that impulse which is aimed at the active search of new ideas which are capable to satisfy in its tangible physical form specified demands of certain target groups. But the problem is how changes, which occur in the society itself and consciousness of people under the influence of market transformations in Russia, alter the character of innovation processes. It is possible to consider that market transformations lead to understanding that focus on innovations has dichotomic features. On the one hand it reflects the features of scientific-technical and production potential of a manufacturer, and on the other hand it points out qualitatively changing needs of a consumer.

5. Conclusions

Thus, marketing tools of enterprise innovative development management represent a set of differently directed communicative enterprise impacts on interaction participants in its marketing communicative field, adaptive to marketing modulation and innovative updating, organizational and technological rearrangement of business processes, and focused on the achievement of the balanced motivation, satisfaction of subject's interests and integrative effect obtaining.

The article is of interest for businesses subject to change of a different nature, and forced to move to innovative business models, adapting internal communications and external communication with the market actors in the interest of adapting their behavior to the changing demands of the market and to generate synergies as a result of the rationalization of the resources used. The article may be useful for top managers, consulting agencies and authorities at different levels of management.

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