

ECONOMICS

UDC 339.1

DOI 10.36074/2663-4139.16.19

STRATEGIC MARKETING MANAGEMENT AT A COAL MINING ENTERPRISE

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УКРАЇНА

Abstract. The article analyzes the theoretical approaches to marketing management tools in the enterprise, analyzes the existing marketing management strategies in enterprises, identifies the features of marketing management in coal mining enterprises. The analysis of marketing activity of the coal mining enterprise is carried out, the directions of improvement of strategy of management of marketing at the coal mining enterprise are developed.

Keywords: *marketing strategy, marketing management, principles of marketing management, functions of marketing strategic management, coal mining enterprise, corporate strategy, portfolio strategy.*

Relevance of the research topic. The current level of economic development of any industry, regardless of ownership and type of activity, requires a competent, highly professional, focused approach to addressing external and internal issues. Working in the context of globalization, companies need to develop a long-term strategy that will allow them to take into account the rapidly occurring changes in the environment. If before the company focused only on internal work, now it is forced to build a management system that would optimally adapt quickly to the dynamic environment.

Improving strategic management through the development of marketing activities of an industrial enterprise should be focused on the fact that the viability and level of efficiency



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<https://ojs.ukrlogos.in.ua/index.php/2663-4139>
<https://doi.org/10.36074/2663-4139.16.19>

of the enterprise is entirely dependent on how deeply its management is aware of the role of marketing in the development of modern industrial enterprise. Therefore, the problem of forming an effective marketing management strategy in the enterprise needs further consideration and solution.

Literature review on the topic of research. The works of such domestic and foreign scientists as I. Ansoff, F. Kotler, A. Thompson, Yu.M. Melnik, M.L. Tkeshelashvili, L.M. Shulgin, S. Andreeva, L. Balabanova, M. Belyavtseva, A. Voychak, V. Vorobyova, N. Dikhtyareva, M. Yermoshenko, Z. Mnushko, T. Mordvintseva, V. Pelishenko and others. However, the issues of ways to form marketing management strategies, especially taking into account industry specifics, remain insufficiently researched.

The purpose of the study is development of theoretical foundations and development of methodological recommendations for the formation of marketing management strategies at coal mining enterprises.

Presentation of the main material. Modern scientists in the field of strategic management and marketing quite clearly and clearly outline this definition, although there are various definitions. Each definition is characterized by a certain aspect of strategic management of the enterprise and the place of marketing activities in strategic management.

Thus, I. Ansoff [1] defines strategic management as an activity related to setting goals and objectives of the enterprise and maintaining such relationships between the enterprise and the environment, which allow to achieve the goals of the enterprise, meet its internal capabilities and ensure its adaptability to external conditions. According to him, strategic planning and management are combined with the term "strategic management". Strategies are developed at four organizational levels, namely: corporate, business, functional and operational strategies. Marketing planning is a tool of strategic management.

In [2] the author understands strategic management as a specific and distinctive structure of any and every enterprise, the purpose of which is to create consumers; it does not support organizational marketing, the main function of which is to organize the effective sale of goods and solve all problems related to the commercialization process. Assigns marketing a more active role in management with a focus on the consumer.

M. Porter in [3] the subject of strategic management defines the process of creating and providing values, which is determined by the concepts of the chain and value system. The strategy is considered in the context of a competitive environment. There are three



types of general strategies aimed at increasing competitiveness - "price leadership", "product leadership", "niche leadership".

According to F. Kotler, strategic management is the process of developing a formal strategy that promotes the use of the company's external environment in their interests by establishing and maintaining a strategic match between the goals and capabilities of the enterprise and dynamic market opportunities. Marketing helps develop a strategic plan, determines the role of marketing in the enterprise. Strategic planning is identified with marketing. Marketing provides the necessary information to develop a strategic plan [4].

Management in order to carry out the mission of the enterprise by managing the interaction of the enterprise with its environment. Marketing approach - the main condition that determines the economic and social choice of the enterprise. There are two sides of marketing - strategic and operational, and three aspects of marketing management - active, analytical and ideological.

G. Mintzberg, B. Alstrend, J. Lempel believe that the definition of the term depends on the approach to the consideration of the object of strategy, due to which there are significant contradictions and differences in strategic management. There are ten main schools involved in strategy formation. From the point of view of marketing, schools of positioning, external environment and configuration are relevant [6].

According to O.S. Vykhansky [7] strategic management - is the management of the enterprise, based on human potential as the basis of the organization, focuses its activities on consumer requirements, carries out flexible regulation, timely changes in the enterprise that meet the challenge of the environment and allow to achieve competitive advantages. Strategic management is seen as a dynamic set of five interdependent management issues (analysis of the environment, definition of mission and goals, strategy selection, strategy implementation, evaluation and control of strategy implementation) with sustained feedback in relation to the external environment.

L.V. Balabanova defines strategic management as a process of planning, organizing and implementing strategic changes, as well as control over the mission and implementation of goals and strategic priorities. With the help of marketing, the company implements market orientation in management. With the help of marketing, the company implements market orientation in management. A comprehensive system of strategic marketing management and a system of strategic changes in marketing management have been developed [8].

P. Doyle [9] characterizes strategic management as a process of solving the problem of finding directions to meet the needs of consumers by creating value. The marketing



concept is a perspective that combines all activities of the enterprise. In the conditions of transformation of the external environment the necessity of marketing organizational transformations becomes paramount.

The emergence of strategic management of marketing activities as a separate type of management is due to the beginning of the mid-50s of the last century post-industrial era, which formed certain reasons for the development of the studied area of activity (Fig. 1).

The definition of "strategy" in combination with the content of marketing means that the scope of such a plan is the marketing activities of the enterprise, ie the definition of "marketing strategy" of the enterprise characterizes the action plan to achieve its marketing goal in the long run. Opinions of marketers and managers on the nature, content and classification of marketing strategy of the enterprise are ambiguous.

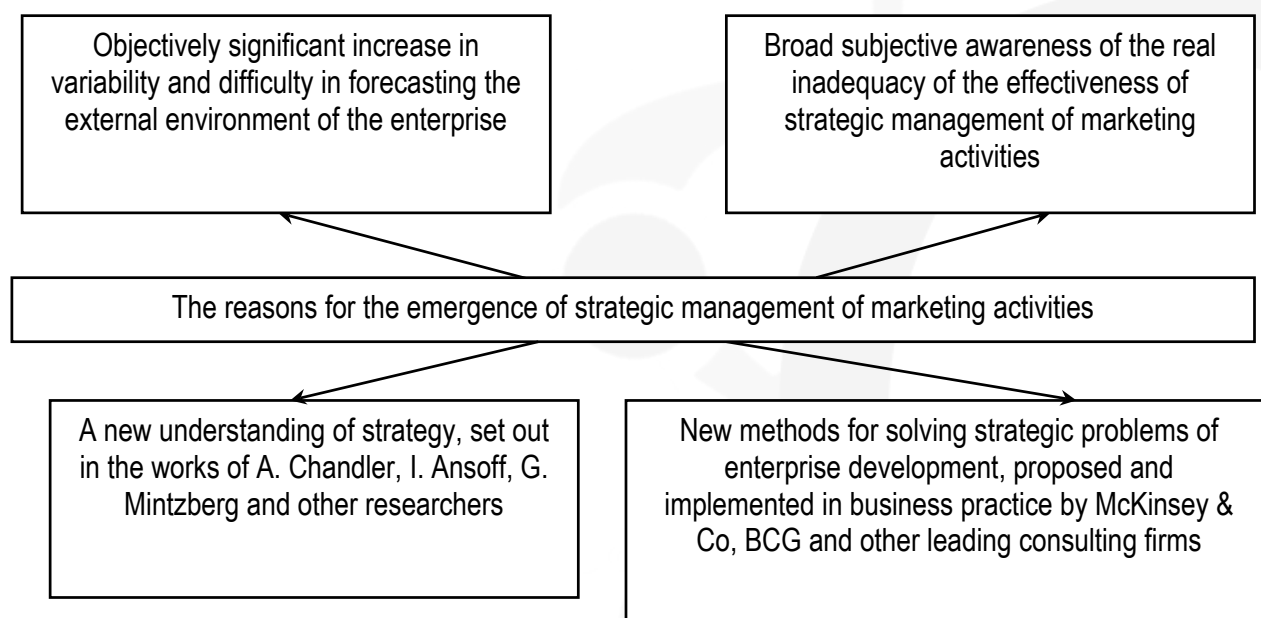


Fig. 1. The reasons for the strategic management of marketing activities [10]

Among the various definitions of the definition of "marketing strategy", it is advisable to pay attention to what offers an integrated approach to the development of marketing strategies. When forming such a strategy, it is necessary to take into account not only individual factors, but a certain system of them (Table 1).

Management of marketing activities of a coal mining enterprise performs appropriate functions and has a stable relationship with the external environment (stakeholders), contains certain components, namely:

- processing and implementation of orders;



- transportation, warehousing and inventory management;
- customer service.

Analyzing the results of the assessment of the marketing potential of SE "Mine" Central "SE" Krasnoarmeyskugol ", we can say the following: gross output (coal production) during all years of the analyzed period in the ratio exceeded sales, the peak of such excess was in 2017 and in 2018 and 2019 the excess of gross output gradually decreased. The market share of the company is quite insignificant, and during the analyzed period decreased from 0.07% in 2017 to 0.03% in 2019. This was due to a decrease in coal production and sales. The physical volume of production and sales also decreased in 2018 compared to 2017 - by 57.5%, and in 2019 - by 8% compared to 2018. The ratio of market shares and total market size decreased during the analyzed period, at a faster pace in 2018.

Table 1

System of factors justifying marketing strategy

The name of the factor	Characteristic
Market segmentation	Approaches to market segmentation and segment selection are developed, which depend on the desired growth goals, features of competition and management's approach to competitiveness management
Commodity positioning	Determining the quantity and range of goods offered to each market segment and methods of positioning them in relation to competing goods. The main specificity of each segment
Formation of a marketing complex	Development of a marketing complex for each product of the enterprise in relation to marketing strategy and tactics. The first establishes the methods of using the elements of the complex, determines the role of each element of the complex of each during the activities of the enterprise in the target markets. The second highlights the detailed features of each element of the complex - the properties of the product, brand, image, pricing and more.
Entering the market	Analysis of enterprise planning of market entry and positioning.
The time factor	Analysis of coordination in time, sequence of implementation of all components of marketing strategy and tactics according to two approaches: the first - to connect own strategy with strategy of competitors (possible strategies of the pioneer, follower, the one who lags behind, etc.). Another approach is to monitor external indicators - economic, sectoral, seasonal, etc.

molded according to [11]



In the organizational structure of the studied coal mining enterprise there is no marketing department, whose activities require the involvement of marketing specialists in the coal mining industry. Marketing management is virtually absent, and any activities aimed at promoting the company in the market, market analysis, etc., are performed by employees of the Department of Economics, Planning and Pricing. The company operates in a complex, changing environment and is in a very difficult, critical financial situation, which requires more attention to the formation and development of marketing management strategy. Based on the specifics of the promotion of products by the coal mining company, the strategy of marketing activities to promote sales should be aimed at market partners, intermediaries, shareholders and more. The effectiveness of marketing activities significantly affects the sale of products, competitiveness and reputation of the enterprise, its strategic position.

From the SWOT table the following results are made, it is necessary to increase the working capital of the enterprise by increasing the control of departments responsible for operations, constantly monitor and actively work in the market in the coal industry, increase marketing efficiency by developing a management strategy. strengths and eliminate threats in a timely manner.

The main strategic marketing goal of SE "Mine" Central "SE" Krasnoarmeyskugol "is to increase the level of competitiveness of the enterprise by increasing sales.

Along with the marketing goal, it is advisable to form a management goal - to create a positive image of the company, which is closely linked to the strategy of marketing activities. As a mission of marketing activities, it is advisable to offer the conquest of coal market share.

As tactical goals of marketing activities of the coal mining enterprise it is expedient to offer the following:

- introduction of an effective pricing policy based on the calculation of the cost of coal and analysis of market conditions;
- optimization of sales channels of coal products by establishing business partnerships with direct consumers (first level channel) and establishing relationships with the syndicate (second level channel);
- organization of a marketing department capable of functioning effectively;
- segmentation of coal consumers.

As an operational marketing goal of the coal mining enterprise, a detailed analysis of the implementation of marketing functions is proposed, on the basis of which further decisions regarding sales activities and its management are recommended (Fig. 2).



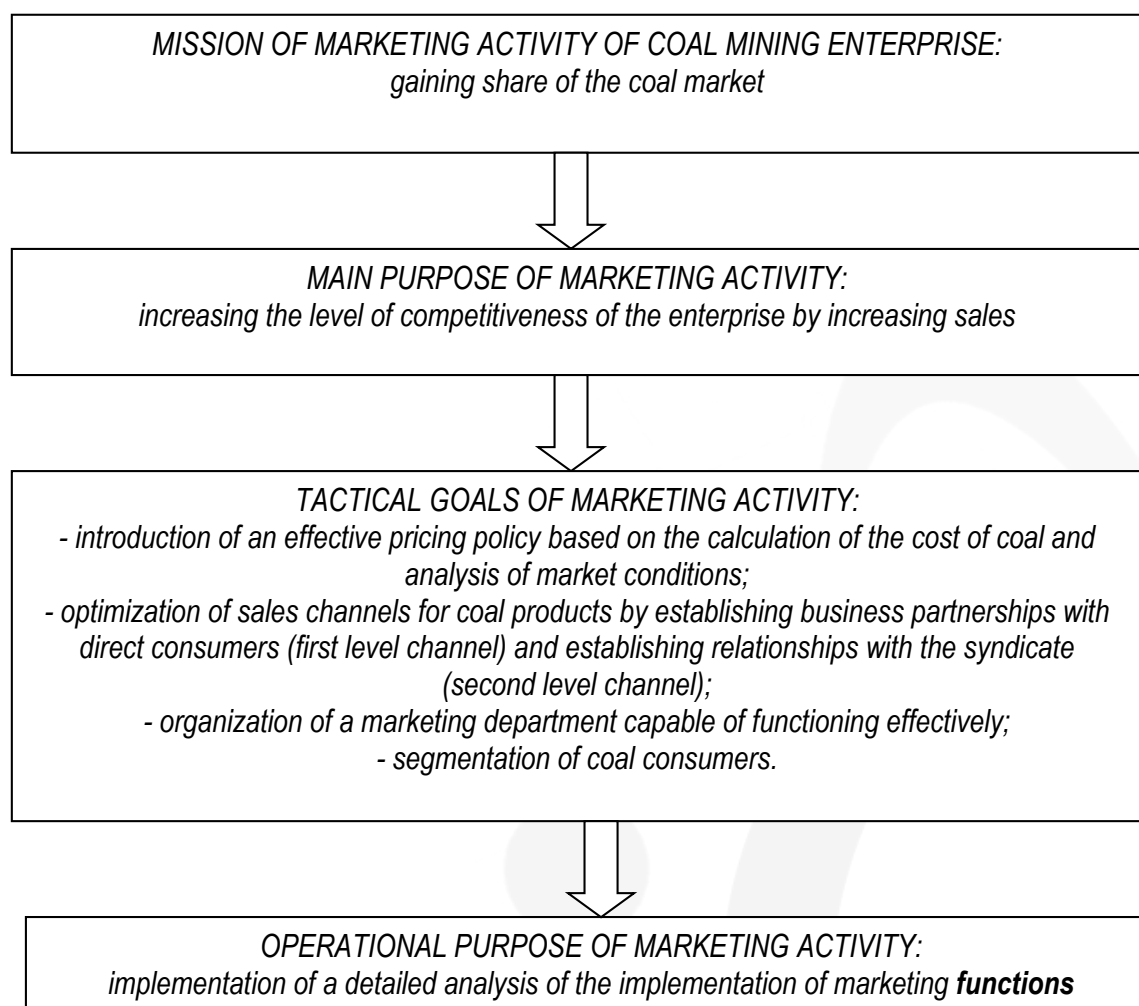


Fig. 2. **Hierarchy of goals of marketing activities of a coal mining enterprise**

The proposed hierarchy of marketing objectives as part of the marketing management strategy at the coal company will allow the mine management to clearly define a program of action to achieve the global goal - the stable operation of the company in the coal market.

Based on the compiled hierarchy of marketing objectives, the main task of strategic marketing management of a coal mining enterprise is proposed - the development and implementation of measures to increase the attractiveness of the enterprise. The market follower strategy seems to be the most acceptable as a competitive strategy. Since the company is a big business and competition in the industry is high, it should specialize in only a few market segments. When searching for its niche, the company should establish a criterion on the basis of which specialization will be carried out. This criterion can be called the development of partnerships with consumers.



Several market segments. When searching for its niche, the company should establish a criterion on the basis of which specialization will be carried out. This criterion can be called the development of partnerships with consumers.

Interaction strategy - the focus of marketing activities of the enterprise to achieve marketing goals through the organization of interaction with partners in some form. Ensuring the involvement of partners in the creation of new value requires the gradual development of relationships, taking into account the peculiarities of enterprises.

Affiliate marketing, in contrast to marketing based on transaction costs, assumes that there is a certain specific interdependence and interaction between companies over time, which acts as a complex combined process, which includes not only the part that is related to transactional costs, as well as social, business, information exchange, aspects of trust, reputation and responsibility.

A key aspect in this approach is the expected result of the interaction of enterprises, which further forms the options for alternative choices of interaction that provide maximum savings in agency costs (those that accompany the relationship between the parties). Given this, the relationship between enterprises should be considered simultaneously from two positions: from the standpoint of minimizing transaction costs; depending on the expected results of the interaction. Then there is a synergistic effect of taking into account the multifaceted activities of the enterprise.

Conclusion (and suggestions). As directions of formation of strategy of management of marketing at the coal mining enterprise on the basis of the carried-out researches the following are offered: definition of the mission, the purposes and tasks of marketing at all levels of management of marketing; substantiation of the strategy of partnership interaction; organization of marketing services at the enterprise.

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СТРАТЕГІЧНЕ УПРАВЛІННЯ МАРКЕТИНГОМ НА ВУГЛЕДОБУВНОМУ ПІДПРИЄМСТВІ

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Анотація. У статті проведено аналіз теоретичних підходів щодо інструментів управління маркетингом на підприємстві, проаналізовано існуючі стратегії управління маркетингом на підприємствах, визначено особливості управління маркетингом на вугледобувних підприємствах. Здійснено аналіз маркетингової діяльності вугледобувного підприємства, розроблено напрями удосконалення стратегії управління маркетингом на вугледобувному підприємстві.

Ключові слова: стратегія маркетингу, управління маркетингом, принципи маркетингового управління, функції маркетингового стратегічного управління, вугледобувне підприємство, корпоративна стратегія, портфельна стратегія.

