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#### VELYCHKO Yuliia

PhD student of the Department of Marketing, Ivan Franko National University of Lviv, Lviv, Ukraine
ORCID ID: <a href="https://orcid.org/0000-0001-6648-9054">https://orcid.org/0000-0001-6648-9054</a> velichkoyulia13@gmail.com

# THEORETICAL AND METHODOLOGICAL APPROACHES TO DEFINING THE ESSENCE OF MARKETING STRATEGIES FOR THE DEVELOPMENT OF AGRIBUSINESS

The article is devoted to studying theoretical and methodological approaches to defining the essence of marketing strategies for the development of agribusiness. The paper analyzes the approaches of prominent scholars and practitioners in the field of agricultural business and investigates the peculiarities of forming and implementing marketing strategies in agribusiness to increase the competitiveness of enterprises. Innovative approaches to using the potential of the agricultural sector, strategic planning, and market orientation as success factors in the development of agribusiness are also considered. The research results can be useful for agribusiness managers, researchers, and students studying the economics of the agricultural sector and marketing.

**Key words:** marketing development strategy, agribusiness, essence, competitiveness, strategic planning, market orientation, agricultural products.

Introduction. The relevance of the research lies in the fact that agribusiness is one of the key industries of the national economy, which ensures the food security of the country and is an important source of income for many enterprises. In modern conditions, with the development of technologies and increasing competition, the effectiveness of agribusiness functioning largely depends on the correct strategy for its development. Therefore, the problem of defining the essence of marketing strategies for the development of agribusiness is important for practitioners and researchers in the field of agricultural economics. Solving this problem will allow for improving strategic management of agricultural enterprises and ensure their competitiveness in the market. The research will also make a significant contribution to the development of marketing theory and its application in the field of agribusiness.

The problem that needs to be addressed in this article is the theoretical and methodological analysis and determination of the essence of marketing strategies for agribusiness development. Taking into account the specifics and peculiarities of this industry, it is necessary to explore how marketing strategies can be effectively used for the development of agribusiness.

Literature review. Scientists and experts from different countries of the world are engaged in research on the mentioned problem. It is worth highlighting the following domestic and foreign scientists: Y. Mayovets, O. Kostenko, V. Paul, V. Kobzar, S. Piozza, A. Markov, H. Solopenko, D. Hennenberg, J. Ackridge, T. Harley, and M. Reid.

Despite numerous studies in the field of marketing and agribusiness, certain aspects of defining the essence of marketing strategies for agribusiness development remain unexplored. Specifically, these aspects include:

- the absence of a universal theory of marketing strategies for agribusiness development that takes into account the specificity of this industry;
  - limited research dedicated to the application of marketing strategies in the agricultural sector;
- unclear understanding of the relationship between marketing strategies and the effectiveness of agribusiness development;
  - insufficient research on innovative marketing strategies that can contribute to the development of agribusiness and enhance the competitiveness of agricultural enterprises;
  - few studies that consider the impact of climate change on the marketing strategies of agricultural enterprises.

The development of new approaches to defining the essence of marketing strategies for agribusiness development, taking into account the above-mentioned parts of the general problem, is relevant and important for enhancing the efficiency of agribusiness development and improving its competitiveness in the international market.

The purpose of this scientific article is a theoretical and methodical analysis and determination of the essence of marketing strategies for agribusiness development. To achieve this goal, the following tasks are planned to be solved:

- to investigate existing approaches to defining the essence of marketing strategies and their application in the agricultural business sector;
- to propose a theoretical and methodological approach to defining the essence of marketing strategies for agricultural business development;
- to identify the peculiarities of the agricultural sector that need to be considered when developing marketing strategies for agricultural business development;
- to develop recommendations for the effective use of marketing strategies for the development of agricultural business.

The result of this research will be the determination of the essence of marketing strategies for the development of agribusiness, which will allow practitioners and researchers in the field of agricultural economics to effectively apply them to ensure the competitiveness and development of agricultural enterprises. In addition, the research findings can be used for further scientific research in the field of marketing and agricultural economics.

**Results and discussion.** Agribusiness is an important component of the country's economy and has great potential for development. However, to succeed in this field, it is necessary to use effective marketing strategies for development. First, let's consider the essence of marketing strategies for agribusiness development based on theoretical and methodological approaches.

P. Kotler is one of the world's most famous marketers who made a significant contribution to the development of marketing theory and defining the essence of marketing strategies for development. The scientist believed that a marketing development strategy should be aimed at achieving competitive advantages and ensuring the successful functioning of the enterprise in the market. He considered a marketing strategy as a plan that determines the main directions of the company's activities in the medium and long-term perspective.

He identified several main types of marketing strategies, such as growth strategies, differentiation strategies, and concentration strategies on a certain market segment. According to him, marketing development strategies should be based on a detailed analysis of the market and competitors, as well as studying the needs and behavior of the target audience. He emphasized the importance of constant monitoring of market trends and adapting the strategy to changes in the environment [1, pp. 205–230].

- K. Keller, in his book «Marketing Management» defines a marketing development strategy as a set of actions that determine how a company plans to achieve its marketing goals and promote the development of its business on a long-term basis [2, pp. 18–24].
- D. Aker, in his work «Strategic Market Management» defines a marketing development strategy as a set of product, pricing, advertising, and distribution decisions that are made to achieve competitive advantages and ensure the growth of the enterprise in the market [3].

The American Marketing Association defines a marketing strategy as a document that outlines the general marketing plan of action for a company and includes components such as target audience, product positioning, and marketing mix [4]. In an article in the Harvard Business Review titled «The Basics of Marketing Strategy» the definition of a marketing strategy involves the development of a plan of action aimed at achieving a company's marketing goals, including the selection of a target audience, the development of an offer, the establishment of positioning, and other elements [5].

In the European Marketing Confederation journal, a marketing strategy is defined as a process that involves establishing the goals and objectives of an organization in the marketing field and creating a plan of action to achieve them in competitive market conditions [6].

Another definition of marketing development strategy is proposed by R. Best in his book «Market-Based Management: Strategies for Growing Customer Value and Profitability». The author defines a

marketing development strategy as a company's action plan that includes a set of products, markets, distribution channels, and prices that enable the company to compete effectively in the market and achieve sustainable growth on a long-term basis [7].

So, synthesizing the proposed definitions of the essence of marketing development strategy, we want to propose our own view on the interpretation of this term. Marketing development strategy is a comprehensive approach to planning and determining the direction of a company's development, based on research of market conditions and competitive advantages, and involves forming optimal decisions regarding product, price, promotion, and distribution in order to achieve the company's strategic goals in the market. At the core of the marketing development strategy is the constant maintenance and improvement of the company's competitive positions, as well as responsiveness to changes in market conditions and consumer demands.

L. Berezina, T. Menshikova, and O. Demidova provide a list of features of the agricultural sector that must be taken into account when developing marketing strategies for agribusiness development. The most significant ones are: 1) seasonality of production and dependence on weather conditions; 2) the regulatory nature of government regulation and subsidies; 3) significant dependence on the level of technological equipment of enterprises; 4) significant competition in international markets; 5) low profitability of production. Therefore, for the successful development of marketing strategies in the agricultural sector, it is necessary to take these features into account and find optimal solutions that will allow enterprises to achieve success in the market [8; 9].

Approaches to defining the essence of marketing strategies for agribusiness development can be considered on the basis of the following strategies (Table 1).

Table 1 – Strategies for determining marketing strategies for the development of agribusiness

Strategy	Characteristics
Niche market strategy	The concept is to focus on a small market segment and satisfy its specific needs. The organization uses an individual approach to each customer, develops unique products, and provides high-quality service
Reducing production costs	The concept of the cost reduction strategy is to decrease production expenses and lower the price of the product to increase sales volume and enhance competitiveness in the market. The organization focuses on optimizing production processes, using cheaper materials and components, rational resource management, and other measures
Positioning	The concept of positioning strategy involves developing a unique position for an organization in the market that allows it to differentiate itself from competitors and occupy a favorable market position. This concept is based on an analysis of the competitive environment and identifying the strengths and weaknesses of competitors. Based on this information, a unique positioning strategy is determined that enables the organization to differentiate itself from competitors and occupy a favorable position in the market
Stable growth	The concept of the stable growth strategy is based on increasing sales volumes and profitability of the products. To achieve this goal, the organization develops new products and markets, and uses marketing promotions and advertising campaigns. An important element of this concept is the continuous optimization of production processes and financial management of the organization
Diversification	The concept of diversification strategy is based on expanding the range of products and entering new markets. The organization develops new products that may be of interest to new target consumer groups, as well as expands its operations to new markets and industries. Diversification can be vertical, when the organization expands its activities to other stages of production, or horizontal, when the organization enters new markets or expands the range of products on an existing market
Increasing marketing expenses	The concept of the strategy of increasing marketing expenses is to focus the organization's efforts on marketing activities aimed at increasing sales volumes and profitability of products. To achieve this, the organization uses various marketing tools, such as advertising, discounts, customer loyalty, and more

Source: compiled by the author from [1; 10–13].

Each of these concepts has its advantages and disadvantages, so the choice of a particular strategy depends on the goals and conditions of the organization's development and the market. However, it is an undeniable fact that success in agribusiness is possible only with the proper use of marketing tools and the development of a growth strategy that meets the needs of the market and the specific conditions of the organization.

Recommendations for effective use of marketing strategies for the development of agribusiness:

- understanding consumers: The most important aspect is to understand consumers in order to understand their needs and demands. Companies must carefully study their target market as well as trends and changes in consumer demands. The use of marketing research tools such as surveys and focus groups can help increase consumer understanding;
- brand building: Building a strong brand can help increase consumer awareness and loyalty.
   Companies must strive to meet high standards of quality and environmental protection, as well as provide effective advertising and customer relationships. Additionally, understanding the values and preferences of the target audience can help build a brand that meets consumer needs;
- use of media channels: Using media channels such as social media and email can help companies attract new customers and retain existing ones. Effective social media marketing, such as creating interesting content, placing ads, and engaging with consumers, can significantly increase sales and customer loyalty;
- implementation of internet marketing: Internet marketing can help companies increase their online presence and attract new customers. The use of targeted advertising, search engine optimization, and e-commerce can greatly simplify the process of selling products and services;
- collaboration with other companies: Collaboration with other companies can help increase sales and expand the company's audience. For example, a joint promotional campaign with another company can lead to increased sales for both companies;
- studying competitors: Studying competitors can help companies develop effective marketing strategies and determine how they can attract more customers and increase sales. Additionally, studying competitors can help companies understand industry trends and stay ahead of the competition;
- develop e-commerce to increase sales, improve service speed, and simplify customer interaction processes;
- collaborate with specialized stores, restaurants, and other establishments interested in purchasing quality and fresh products;
- use technology to increase production efficiency and resource management. For example, modern automation systems can help reduce labor costs, shorten data processing time, and increase productivity;
- study the market and analyze competitors to develop a unique strategy and differentiate your products and services. Also, don't forget to research consumer needs and demands to meet their expectations and needs;
- remember the importance of preserving the environment and ecological responsibility. Try to use environmentally friendly technologies and production methods to conserve natural resources [1–13].

These recommendations can help you effectively use marketing strategies to develop your agribusiness. It is worth remembering that effective use of marketing strategies requires constant work and analysis of results, as well as adapting strategies to changes in the market and consumer needs.

Conclusions. Overall, effective use of marketing strategies can help agribusiness attract new customers, increase sales volume, and improve customer loyalty. However, it is important to remember that the success of agribusiness depends on many factors, so it is important to focus not only on marketing strategies, but also on product quality, smart financial management, development of new products and services, improvement of production processes, and personnel management. A comprehensive approach will help agribusiness develop and become more competitive.

It is also important to note that when developing marketing strategies for agribusiness, it is important to take into account the specificity of this industry. For example, it is important to pay attention

to the seasonality of production and sales of products, the need to comply with requirements for product quality and safety, and the impact of weather conditions on the cultivation of products.

Therefore, for effective use of marketing strategies in agribusiness, it is important to focus on the development of a digital strategy, attracting new customers and increasing sales, improving customer loyalty, collaborating with other companies, studying competitors, and taking a comprehensive approach to agribusiness management. It is important to take into account the specificity of the industry and regularly monitor the results of implementing marketing strategies.

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### ВЕЛИЧКО Юлія Юріївна

аспірантка кафедри маркетингу, Львівський національний університет імені Івана Франка, м. Львів, Україна

## ТЕОРЕТИКО-МЕТОДОЛОГІЧНІ ПІДХОДИ ДО ВИЗНАЧЕННЯ СУТНОСТІ МАРКЕТИНГОВИХ СТРАТЕГІЙ РОЗВИТКУ АГРОБІЗНЕСУ

**Проблема.** Агробізнес є однією з ключових галузей національної економіки, яка забезпечує продовольчу безпеку країни та є важливим джерелом доходів для багатьох підприємств. У сучасних умовах, з розвитком технологій та посиленням конкуренції, ефективність функціонування агробізнесу багато в чому залежить від правильної стратегії його розвитку. Тому проблема визначення сутності маркетингових стратегій розвитку агробізнесу є актуальною для практиків та науковців у галузі економіки АПК. Вирішення цієї проблеми дозволить удосконалити стратегічне управління сільськогосподарськими підприємствами та забезпечити їх конкурентоспроможність на ринку. Дослідження також зробить значний внесок у розвиток теорії маркетингу та її застосування в сфері агробізнесу.

**Метою** наукової статті  $\epsilon$  теоретико-методичний аналіз та визначення сутності маркетингових стратегій розвитку агробізнесу.

Результати. В межах статі всебічно розглянуто погляди науковців на поняття сутності маркетингових стратегій розвитку. Запропоновано власне визначення сутності маркетингової стратегії розвитку в такому формулюванні: стратегія маркетингового розвитку – це комплексний підхід до планування та визначення напрямків розвитку компанії, що базується на дослідженні ринкової кон 'юнктури та конкурентних переваг і передбачає формування оптимальних рішень щодо товару, ціни, просування та дистрибуції для досягнення стратегічних цілей компанії. на ринку. В основі стратегії маркетингового розвитку лежить постійне підтримання та вдосконалення конкурентних позицій компанії, а також реагування на зміни кон'юнктури ринку та запитів споживачів. Розглянуто особливості аграрного сектору, які необхідно враховувати при розробці маркетингових стратегій розвитку агробізнесу. Серед яких ключовими є сезонність виробництва, залежність від погодних умов і рівня технологічного оснащення, значна конкуренція на міжнародних ринка. Досліджено концепції до визначення маркетингових стратегій розвитку, які найліпшим чином відповідають сучасним потребам агробізнесу. Встановлено, що кожна з концепцій має свої переваги та недоліки, тому вибір тієї чи іншої стратегії залежить від цілей та умов розвитку організації та ринку. Проте незаперечним  $\epsilon$  той факт, що успіх в агробізнесі можливий лише за умови грамотного використання маркетингових інструментів і розробки стратегії зростання, яка відповідає потребам ринку та конкретним умовам організації. У підсумку надано перелік практичних рекомендацій щодо ефективного використання маркетингових стратегій розвитку агробізнесу.

**Наукова новизна.** Набули подальшого розвитку концептуальні підходи щодо вибору оптимальної маркетингової стратегії розвитку аграрного підприємства, а також практичні рекомендації з приводу ефективного використання маркетингових стратегій розвитку агробізнесу.

Висновки. Доцільно підсумувати що, ефективне використання маркетингових стратегій може допомогти агробізнесу залучити нових клієнтів, збільшити обсяг продажів і підвищити лояльність клієнтів. Однак важливо пам'ятати, що успіх агробізнесу залежить від багатьох чинників, тому важливо зосередитися не лише на маркетингових стратегіях, а й на якості продукції, розумному фінансовому менеджменті, розробці нових продуктів і послуг, вдосконаленні виробничих процесів та управлінні персоналом. Комплексний підхід допоможе агробізнесу розвиватися та стати більш конкурентоспроможним. Також важливо зазначити, що при розробці маркетингових стратегій для агробізнесу важливо враховувати специфіку цієї галузі. Наприклад, звернути увагу на сезонність виробництва та реалізації продукції, необхідність дотримання вимог до якості та безпеки продукції, вплив погодних умов на вирощування продукції.

**Ключові слова:** маркетингова стратегія, агробізнес, сутність, конкурентоспроможність, стратегічне планування, орієнтація на ринок, сільськогосподарська продукція.

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