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THE STRATEGY OF THE COMBINED SALES AS THE MODERN INSTRUMENT FOR ENHANCING THE PRODUCT DISTRIBUTION PLANNING OF ENTERPRISES ON FOREIGN MARKETS

Nowadays, sales activities are a determining component of the competitiveness of almost every enterprise engaged in foreign economic activities. In modern economic conditions and the strengthening of the world globalization process, more and more attention is paid to the distribution of export-oriented products as the main component of the enterprise marketing activities. To implement efficient distribution of products, first of all, it must be well planned. It's considered that it is exactly planning, which is the most important condition for the effective implementation of the marketing activities of the exporting enterprise.

The aim of the work is to determine the essence of the combined sales strategy as an up-to-date tool for improving the planning of the products distribution at enterprises in the context of the intensification of activities in foreign markets. The analysis of the latest research and publications has been carried out. The "products distribution" concept is presented as the main component of the enterprise marketing activities. In general, product distribution is an enterprise's activity aimed at overcoming the spatial, temporal and quantitative commodity differences between the production and consumer spheres, which also includes the transfer of ownership of products to meet the needs of consumers and achieve the company's goals in target markets. Meanwhile, the combined marketing implies a combination of direct and indirect methods of the commodities promotion, that is, a manufacturer can form his own sales network, but at the same time does not refuse the services of intermediaries. The advantages and disadvantages of using this method for manufacturing companies were listed. It also describes the conditions under which it is advisable to use the strategy of combined sales, especially it concerns the companies in the conditions of export activation. The factors influencing the implementation of the combined sales strategy by the enterprise in the context of the intensification of activities in foreign markets are presented.

Keywords: *products distribution, sales strategies, combined marketing, distribution channels*

INTRODUCTION

At the present stage, for the majority of enterprises, the issue of developing new foreign markets is becoming more and more urgent. After all, the entry of the enterprise to the international market ensures an increase in production volumes and, accordingly, an increase in profits, which contributes to the strengthening of the enterprise's position in the domestic and foreign markets.

In the process of organizing foreign economic operations, each enterprise is faced with the planning of effective sales activities, the main component of which is the distribution of products. In modern conditions of a market economy and high competition, manufacturing and trading enterprises, in order to obtain the highest profit and reduce costs, are forced to find and use the most optimal ways to sell their products.

S.B. Rozumei notes that the distribution of products is an activity aimed at overcoming spatial, temporal and quantitative differences in commodity between the sphere of production and consumption, as well as transferring ownership on goods in order to meet the needs of consumers and achieving the goals of the enterprise in target markets [1]. Choosing a sales strategy when shaping product distribution is a key factor in a product's successful time-to-market. The problem is especially relevant for new companies that are just starting their work and for those offering a completely new product that should take a place in the market.

The works of a large number of Ukrainian scientists

are focused on the issues of business entities products distribution and their planning peculiarities, as follows: O.A. Bilovodska, S.B. Rozumei, A.V. Osokina, I.O. Poliezhaieva, N.V. Semenchenko, O. Yu. Bilenkyi, V.V. Kryveshchenko. Among foreign scientists, it is necessary to pay due attention to the works of L. Gorchels, E. Marie-nom, F. Kotler, R. Morris, J. F. Burgess, T. Hedberg, M. Adame, D. Shteinhof, I.A. Blank, I. Ansof, etc.

Despite the fact that the topic of product distribution has been thoroughly studied by domestic and foreign scientists, the tools for its planning require further refinement, in particular in the context of intensifying activities in foreign markets. The combined sales strategy becomes particularly relevant in these conditions.

The **PURPOSE** of the paper is determination of the combined sales strategy essence as a basic tool for improving the planning of the products distribution at enterprises in the context of the intensification their activities in foreign markets.

RESEARCH METHODS

The methodological and informational basis of the paper is a range of scientific articles and monographs presented by domestic and foreign scientists who were involved in planning the distribution of the company's products and marketing strategies. In the course of the study, methods of analysis, systematization, comparison, theoretical generalization, etc. were implemented.

RESULTS

In the process of organizing foreign economic operations, each enterprise engaged in foreign economic activity raises the question of planning effective sales, and its key part is the process of product distribution. That is why an important stage in the formation of the enterprise marketing policy is the planning of effective product distribution methods.

Planning for distribution methods is a multi-step process that requires consideration of many factors, consisting of a range of separate tasks that an enterprise faces. However, with the help of effectively planned distribution channels, the company will be able to provide consumers with products in accordance with their needs in the required quantity, of the appropriate quality, at the specified place, at the specified time and with minimal costs. In addition, the efficient implementation of product distribution will provide the exporting company with the required volumes of product sales, which guarantees the receipt of projected revenue and achievement of the expected profitability level.

When planning product distribution, an enterprise can face a number of challenges. One of the most common, for example, is the limited tools for planning methods of products sales, which does not allow expanding the distribution channels. To address this problem and improve product distribution planning in the face of increased activity in foreign markets, the one can use a combined marketing strategy.

Among the existing channels, there are three main marketing strategies: direct, indirect and combined. With the direct sales method, it is possible to maintain full control over the conduct of trading operations. However, numerous studies show that the intermediary link in the sales activities of the company, used in the indirect method, in most cases, on the contrary, increases the efficiency of sales operations, since the high professionalism of the intermediary in the sales and commercial spheres allows accelerating the return on costs and the turnover of funds due to large-scale, versatile and specialized operations, creates convenience for end customers, saves time. Combined distribution occurs through a combination of direct and indirect methods. Reviewing the experience, it can be noted that enterprises most often use a combined method of marketing products [3; 4].

Enterprises applying a direct sales strategy create their own retail network and assume all obligations for the distribution, promotion and sale of goods to end consumers, i.e. under this strategy, the product manufacturer completely refuses the services of independent intermediaries. When using a combined strategy, organizations with mixed capital act as an intermediary, that is, both the funds of the manufacturer and another independent company

are used. The combined sales model is chosen by companies wishing to increase sales volumes and cover a large sales area.

The choice of a strategy for organizing the enterprise sales activity depends on the specific conditions of the foreign market, sales volumes and the strategy of the enterprise itself. Since the direct and indirect methods of marketing products have certain advantages and disadvantages, some companies seek to increase the number of advantages and minimize the impact of disadvantages, precisely by implementing a combined marketing strategy.

In general, there are a number of factors that influence the implementation of the combined sales strategy by the enterprise in the context of the intensification of activities in foreign markets (table 1).

Table 1 – **Factors acting in the conditions of combined sales strategy implementation**

Factor	Characteristics
1. The nature of foreign market	Vertical, horizontal
2. Sales volume	Medium
3. Contacts with the consumer	Weak
4. Sales costs	Low
5. Pricing policy	Not flexible enough (requires approval)
6. Awareness about the sales subject	Medium
7. Consumers coverage	Narrow (with territorial disunity)
8. Maintenance options	Medium
9. Standardization level	Above-average

It is advisable for enterprises to implement the combined sales strategy under the following conditions:

1) if goods under production are interconnected or, when consumed, complement each other, thus the purchase of one of them is likely to have an impact on the purchase of others;

2) if the methods and objectives of the associated enterprises are the same and compatible;

3) if manufacturers have a common clientele, which can reduce the costs of selling products for a small enterprise and additionally load the existing sales capacities of a larger company;

4) when focusing on certain consumers in the foreign market, which allows you to reduce the cost of marketing research, sales, advertising.

The following figure demonstrates different varieties of combined distribution channels for enterprises, included those actively engaged in foreign economic operations.

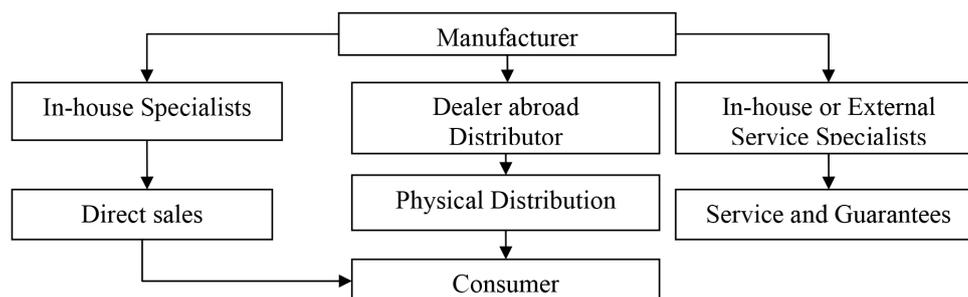


Fig. 1. Possible options for enterprises combined product distribution channels [developed by the authors on the basis of [2]]

Companies prefer a combined sales strategy for a number of reasons [3]:

- opportunity to increase market coverage;
- the ability to take a differentiated approach for servicing each market segment;
- the ability to create competition between channels and increase their motivation and thus efficiency;
- the ability to reduce the cost of maintaining their own channels while preserving the advantages of direct sales.

In turn, when using the combined method, in particular in the context of functioning on foreign markets, there is the possibility of certain difficulties [3; 4]:

- conflicts between mediators (e.g., one dealer was sold commodities at a low price, while for another one the “purchased” cost was raised);
- unscrupulous intermediaries can substitute the manufacturer – you need to carefully consider the terms of the contract and reporting at all stages of commodity circulation.
- If there are many intermediaries, you will have to

spend a large amount of funds for all services, etc.

CONCLUSIONS

The application of a combined distribution strategy as a tool to enhance distribution planning is beneficial for business entities as long as this strategy implies low distribution costs, a high level of standardization and is suitable for any type of market.

The combined method of marketing is used quite often, as a specific mix of the direct and indirect ones, and is carried out through organizations that include the company's own sales structures and independent sales companies. The combined way can be considered trading through mixed companies and joint ventures, as well as other cases for creating a distribution network of capitals of the manufacturing company and trading entities.

Using this strategy is also an opportunity to expand the sales market for its products through cooperation with a foreign partner, including mastering new markets, as well as access to new technologies and resources.

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СТРАТЕГІЯ КОМБІНОВАНОГО ЗБУТУ ЯК СУЧАСНИЙ ІНСТРУМЕНТ УДОСКОНАЛЕННЯ ПЛАНУВАННЯ РОЗПОДІЛУ ПРОДУКЦІЇ ПІДПРИЄМСТВ НА ІНОЗЕМНИХ РИНКАХ

На сьогодні збутова діяльність є визначальною складовою конкурентоспроможності чи не кожного підприємства-суб'єкта зовнішньоекономічної діяльності. За сучасних економічних умов та посилення процесу світової глобалізації, все більше уваги приділяється розподілу експорторієнтованої продукції, як основному складнику збутової діяльності підприємства. Задля здійснення ефективного розподілу продукції насамперед його необхідно якісно спланувати. Вважається, що саме планування є найважливішою умовою результативного здійснення збутової діяльності підприємства-експортера.

Метою статті є визначення сутності стратегії комбінованого збуту як базового інструменту удосконалення планування розподілу продукції підприємств в умовах активізації діяльності на іноземних ринках. Проведено аналіз останніх досліджень та публікацій. Подано поняття «розподіл продукції» як основну складову збутової діяльності

підприємства. Загалом розподіл продукції – це направлена на подолання просторових, часових та кількісних товарних відмінностей між виробничими та споживчими сферами діяльність підприємства, що також включає в себе передачу права власності на продукцію задля задоволення потреб споживачів та досягнення цілей компанії на цільових ринках. За цих умов комбінований збут передбачає поєднання прямого та непрямого методів просування товарів, тобто виробник може формувати власну збутову мережу, але не відмовлятися при цьому від послуг посередників. Перелічено переваги та недоліки використання цього методу для компаній-виробників. Також описано, за яких умов доцільно використовувати саме стратегію комбінованого збуту, особливо що стосується підприємств в процесі активізації експортних операцій. Подано чинники, що здійснюють вплив за реалізації підприємством стратегії комбінованого збуту в умовах активізації діяльності на іноземних ринках.

Ключові слова: розподіл продукції, стратегії збуту, комбінований збут, канали розподілу