

## THE PLACE OF MARKETING ACTIVITIES IN THE CRISIS MANAGEMENT SYSTEM

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**Abstract.** The *purpose* of the article is to establish the place of marketing in crisis management of the enterprise, to study the role of the main aspects of crisis marketing in modern enterprises; mastering the components of marketing crisis management of enterprises, to avoid the vulnerability of the enterprise to crisis phenomena and eliminate their consequences. The *methodological* basis of the study was the generalization of the results of applied research in the field of economics, scientific works of domestic and foreign scientists, which highlight the fundamental theories of competitive advantage, competitiveness and marketing management. Results. The article conducts a study on determination of the place of marketing in anti-crisis management of an enterprise, establishes the role of main aspects of anti-crisis marketing at modern enterprises; mastered the mechanism of marketing anti-crisis management of enterprises, the purpose of which is to form a strategy for overcoming the crisis and eliminating the consequences of crisis phenomena. *Practical results.* Given the constant changes in the environment of their functioning, enterprises should develop marketing programs that provide for measures to be taken to stabilize the market situation and overcome the insolvency crisis. *Value/originality.* In the understanding of the authors, crisis management should cover all subsystems of enterprise management: operational, technical, financial, and especially strategic, marketing, personnel. In the understanding of the authors, crisis management should cover all subsystems of enterprise management: operational, technical, financial, and especially strategic, marketing, personnel. It is recognized that marketing in crisis management is not just one of the subsystems of the enterprise, but the basis that ensures the sustainability of all its other departments.

**Key words:** anti-crisis management, anti-crisis marketing, marketing activities, anti-crisis program, marketing strategy.

**JEL Classification:** M30, M11, M31, P23

### 1. Introduction

The operating conditions of domestic enterprises are directly related to the high level of instability and uncertainty of the external environment, especially external factors that affect the economic and management processes of enterprises. Sometimes these factors are destructive, which can lead to the liquidation of enterprises. This can be prevented by timely implementation of crisis management system in enterprises, with the transformation of basic management methods into an integrated form of marketing crisis management. The interaction of

strategic and tactical marketing goals is extremely important in crisis management.

In difficult times for the economy, most businesses face a number of problems. Marketing budgets become especially vulnerable. This is a time when organizations are more than ever focused on short-term results, and some think only about survival. That is why during the recession it is important to remember about marketing priorities that will help not to miss opportunities and avoid irreversible mistakes.

Therefore, an urgent problem for modern enterprises is the search and implementation in practice of

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such forms and methods of management, which, in combination with marketing measures, could prevent crisis phenomena, as well as contribute to the risk protection of enterprises.

The outlined problem is the subject of research of many domestic scientists, who in their publications consider its various aspects, in particular: researcher Pogrebnyak A. Yu. (2015) presented a mechanism of crisis management based on the synergy between all its elements, to identify, prevent and overcome crisis phenomena, under the influence of external and internal environment factors.

It is worth paying attention to the fact that among scientists who study the role of marketing in crisis management of the enterprise, there is no consensus on the definition of the category "crisis marketing". There is a statement that marketing in a crisis is called "anti-crisis", although the wording of its goals and objectives remains unchanged. The authors disagree with this statement and believe that the conditions of functioning of enterprises directly correlate with marketing goals, programs, strategies.

Therefore, most marketing categories that take place in practice require clarification and scientific substantiation.

## **2. Anti-crisis marketing as a component of strategic management**

The main purpose of anti-crisis management of the enterprise is to provide such conditions for the functioning of the enterprise, under which the crisis phenomena of financial, production, marketing, personnel nature can be minimized, neutralized and eliminated by implementing certain measures.

Marketing as the main component in the management system includes a number of measures of analytical, strategic and organizational nature, the basis of which is a complex of marketing, in particular commodity, pricing, sales and communication policies based on the results of a comprehensive study of the market and consumer behavior. The authors are deeply convinced that marketing is a modern business philosophy that changes the thinking of entrepreneurs, employees and consumers. Any enterprise, faced with the complexity of market mechanisms, faces the problem of creating a model of its behavior that would harmonize its activities in the market. This model can be associated with indicators of quantitative results to be achieved, or with the implementation of certain activities, such as entering a certain market, developing a new product, etc. It is developed based on the results of market research, correlation of market trends and needs with the company's capabilities.

Marketing activities are a set of measures that involve the collection and analysis of information

in order to study product markets and identify consumer demand factors to minimize risk, in order to make strategic decisions on product, pricing, sales and communication policies of the company. The role of marketing activity is significantly increasing for the enterprise during the crisis period. This is due to the fact that it is during this period that effective marketing measures are needed that will help maintain demand for products or services, find new market niches, modernize product policy, change or expand the vector of activity, etc. (Natus, Xaminich, 2016).

Since management is considered as a process of interdependent functions, at the pre-crisis stage of management formation it is necessary to investigate the factors that could prevent a crisis situation, develop strategic business plans for marketing, control risk factors, which will avoid possible losses and negative consequences.

Holovach K. S. and others note that the combination of a system of measures of legal, organizational and technical nature is the basis of anti-crisis management, which is currently in the process of formation (Holovach, Golovach, Trofimchuk, 2020).

In the author's understanding, anti-crisis management should cover all subsystems of enterprise management: operational, technical, financial, and especially strategic, marketing, personnel.

Thus, the process of crisis management can be characterized by the following features:

- use of enterprise resources in conditions of mobile and dynamic response to changes;
- implementation of anti-crisis solutions based on program-targeted integrated approaches;
- taking into account the time factor, especially in the process of making managerial decisions;
- operative intervention in the event of a danger of crisis;
- use of qualitative characteristics in making anti-crisis decisions (Tkachenko, Mykhailenko, 2013).

Marketing is the main component of the enterprise subsystems, namely the base that ensures the stable operation of all its departments. On this basis, in the conditions of the crisis state of the enterprise or for preventive measures to prevent it, traditional marketing tools are used, but the tasks of marketing activities acquire new specific features, the main of which is the marketing anti-crisis program. The objectives of marketing activities should be consistent with the corporate strategy of the enterprise and adjusted depending on changing conditions. Marketing activities within the framework of crisis management include: identifying market opportunities, minimizing market threats, increasing market share, retaining loyal customers, product positioning and others (Zhurenko, Dergalyuk, 2018).

Depending on fluctuations in environmental factors and changes in the operating conditions of the enterprise, the tasks of marketing activities are subject to constant adjustment.

Marketing as a functional subsystem of enterprise management plays a key role in the system of its crisis management, and marketing policy serves as the basis for strategic planning of all aspects of the enterprise.

Anti-crisis marketing involves identifying market opportunities in order to quickly implement them in the interests of the enterprise. It is important to understand that some market opportunities are invisible during the stable operation of the enterprise, and during the crisis their use can help the company to survive and take a profitable position in the market.

The authors are convinced that anti-crisis marketing involves the rapid change of all components of marketing in accordance with changes in the external environment, which helps to maintain maximum competitiveness of the company in market conditions.

The mechanism of crisis marketing at the enterprise as a management system provides for the presence of the object (crisis phenomena) and the subject

of management (responsible bodies of crisis management, for example, the head of the marketing service, etc.) formation of targeted management processes (subsystem of monitoring the enterprise environment, subsystem of planning and forecasting: determination of the stage, parameters, volume and scale of the crisis phenomenon, development, implementation and control of anti-crisis strategies, etc.

As part of anti-crisis marketing measures, an anti-crisis program should be developed. The development of a comprehensive anti-crisis program is aimed at carrying out a set of measures to overcome the crisis in all subsystems of the enterprise (sales, financial, production, organizational, supply, personnel management, marketing).

### 3. Development of a comprehensive anti-crisis program

The anti-crisis program is considered as a coordinating document that covers a set of economically and scientifically sound measures (marketing, financial and other) aimed at overcoming (preventing or leveling the impact of) crisis phenomena at the enterprise, the content of which

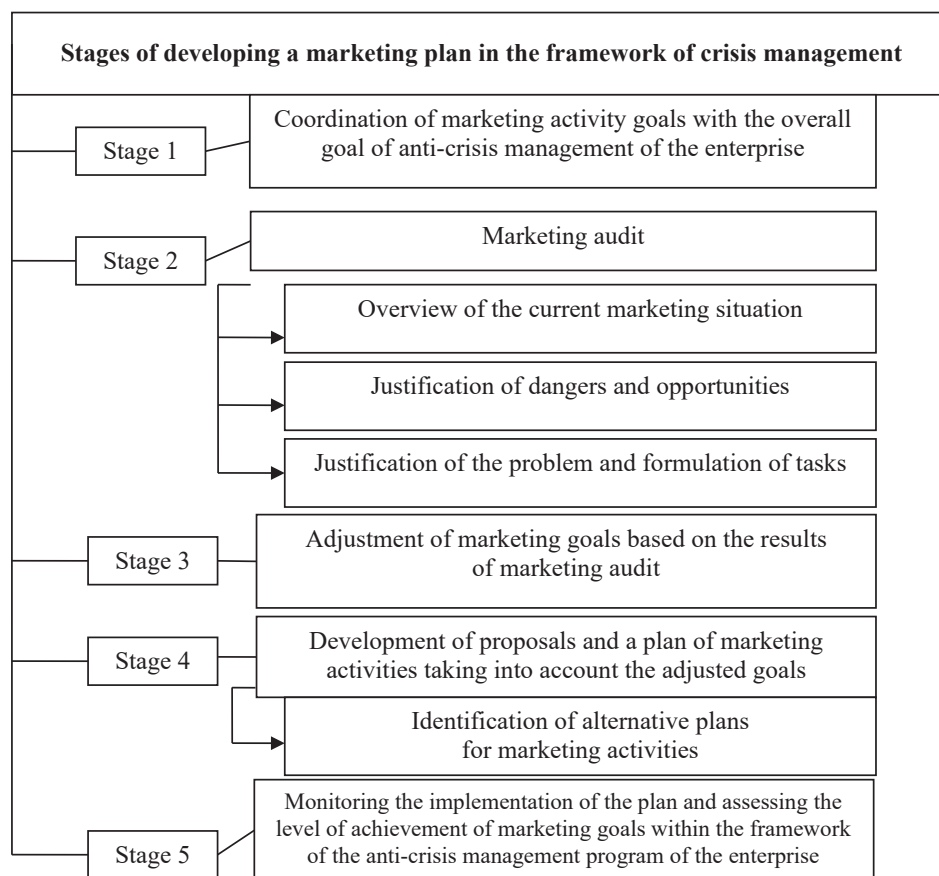


Figure 1. Stages of creating a marketing plan within the crisis management program

Source: developed by the authors taking into account the source (Hlukhenka, 2019)

depends on the type, scale of the crisis and the conditions of functioning of enterprises of various organizational and legal forms.

As part of the anti-crisis program, a marketing plan is being drawn up.

In the conditions of anti-crisis management of the enterprise there is a complex interaction of marketing and management tools at enterprises.

Marketing programs are aimed at stabilizing the market situation and overcoming the insolvency crisis.

Marketing anti-crisis programs can be part of the strategic and tactical plan of the organization's way out of the crisis or crisis situation.

The authors agree with the widespread statement that the basis of anti-crisis plans of enterprises should be marketing measures. On this basis, crisis marketing is a component of marketing in crisis management (Figure 2).

There is no doubt that factors of both external and internal environment can disrupt the stable functioning of the enterprise, affect the level of all indicators of its activity, destabilize the work of internal departments. In such situations, it is important to develop a mechanism for implementing measures that will help to resist the spread of crisis phenomena.

The internal and external environment of the enterprise creates a potential threat of the impact of crisis factors (such processes and phenomena that adversely affect the activities of the enterprise, lead to an imbalance of the production and management system and frequent failures and further formation of crisis situations in various subsystems of the enterprise and beyond) on its activities. The negative impact of crisis factors is manifested in the form of signs of crisis: deterioration of the main indicators of economic activity of the enterprise, negative dynamics of indicators of development of the enterprise, deterioration of financial indicators, decline in demand, outflow of customers, etc.

It should be emphasized that in most cases managerial anti-crisis decisions are made quickly on an intuitive level, as a result, it is difficult to predict their consequences. Therefore, at the pre-crisis stage, marketing research plays a significant role, during the crisis – marketing communications, pricing strategies and creative means, in the post-crisis period – strategies of diversification and development of innovations, the practical significance of which is the possibility of using by domestic enterprises at the present stage.

Diagnosis of crisis factors can be carried out using modern methods of diagnosing the marketing

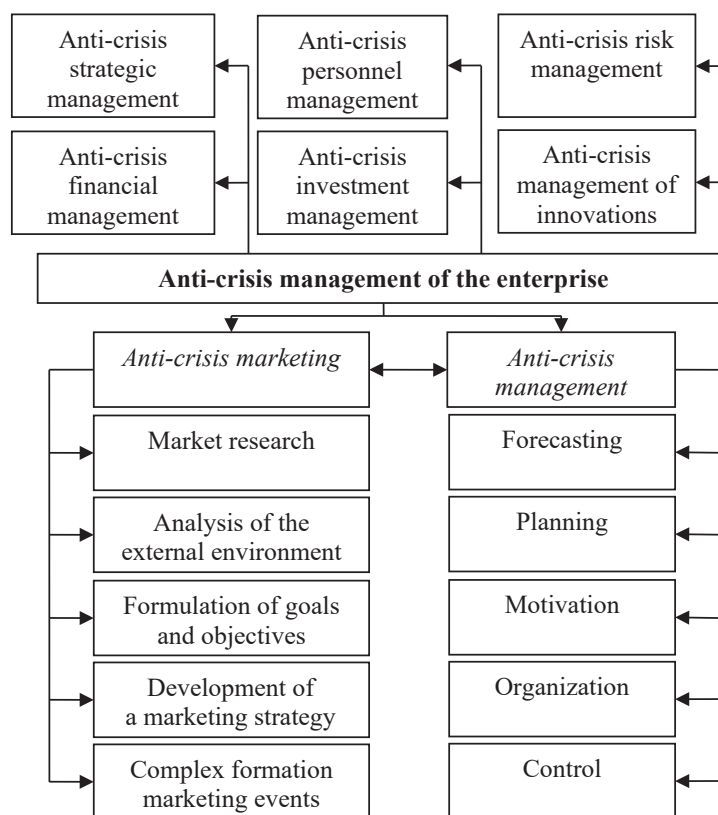
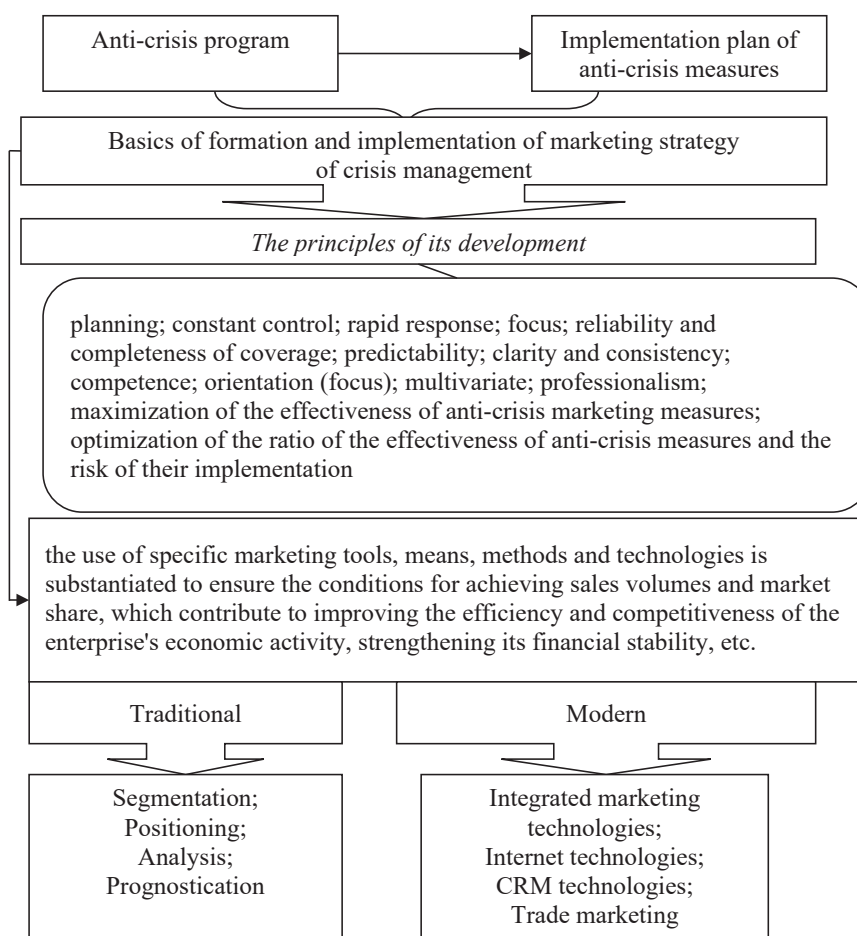


Figure 2. Anti-crisis marketing as a component of the enterprise crisis management system

Source: developed by the authors



**Figure 3. Marketing support of anti-crisis management**

Source: developed by the authors

environment, such as SWOT- and PEST-analysis. When conducting the analysis, first of all, the factors of the marketing macro- and microenvironment in which the organization operates are taken into account (Gurzhiy, 2011). Economic factors have the most negative impact on the deepening of the crisis.

It is possible to distinguish the factors that determine the use of marketing tools in the crisis management system: market situation, stage of the life cycle of the enterprise, management techniques and methods, quality characteristics of products, resource potential.

Marketing tools should be implemented in accordance with a specific anti-crisis marketing program (Figure 3).

The logical result of such a program is the formation and implementation of a marketing strategy for crisis management.

The chosen marketing strategy should be flexible in case of sudden changes in the market. In addition, the main factors to be taken into account when developing marketing strategies are resource, investment, innovation and human resources potential of the enterprise.

When substantiating the strategy, it is necessary to analyze, evaluate and make a choice of priorities in marketing activities. It is necessary to take into account the interrelation of goals and strategies, their coherence in time and subordination. Today, in order to retain existing customers, as well as attract new ones, the concepts of partnership and social and ethical marketing, the search for new marketing techniques to influence the client are especially relevant for domestic enterprises.

#### 4. Conclusions

The results of the study give grounds to draw the following conclusions.

In order to preserve and strengthen the company's position, crisis management will be applied, i.e., management in conditions of high probability of risk. Regardless of the economic situation and the stage of the company's life cycle, it is necessary to develop crisis management programs. Such programs are aimed at preventing bankruptcy, bringing the organization out of the crisis and restoring

competitiveness. Crisis marketing is a part of crisis management.

Marketing as a functional subsystem of enterprise management plays a key role in the system of its crisis management, and marketing policy serves as the basis for strategic planning of all aspects of the enterprise.

In the pre-crisis period and during the crisis, special attention is paid to the development of an effective anti-crisis marketing strategy based on market research. They help to diagnose opportunities and position of the company in the market,

assess its strengths and weaknesses, identify possible threats.

Anti-crisis marketing programs should ensure the production and sale of such goods that are in steady demand in the market and bring the main profit to the enterprise. Also, enterprises should meet the needs of consumers to the fullest extent, unlike competing organizations, in those areas where they have strong competitive advantages. A marketing approach to solving the company's problems during the crisis will mitigate the impact of the consequences and continue to be active in the market.

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