UDC 005.3:338.2

DOI: https://doi.org/10.32782/2708-0366/2023.16.17

#### Larchenko Oksana

Candidate of Agricultural Sciences, Associate Professor, Department of Management and Information Technology, Kherson State Agrarian and Economic University (Kherson / Kropyvnytskyi) ORCID: https://orcid.org/0000-0001-7857-0802

## Ларченко О.В.

Херсонський державний аграрно-економічний університет (м. Херсон / м. Кропивницький)

## CONTEMPORARY MANAGEMENT PROBLEMS: MARKETING AND MANAGEMENT OF SMALL BUSINESS

# СУЧАСНІ ПРОБЛЕМИ УПРАВЛІННЯ: МАРКЕТИНГ І МЕНЕДЖМЕНТ МАЛОГО БІЗНЕСУ

The main problems of management at small enterprises are reviewed and particularities of marketing and management in small business are highlighted in the article. Lately the number of small enterprises are being shrunk in correspondence with the lowering of their profitability and personal income and the conditions of business activity overall in connection with the military situation in the country as a whole. In such conditions the questions of effective small business management become of the highest priority. Indeed proper management and marketing decisions let an enterprise to adapt to the new conditions and continue its activities. The significance of these questions arises from the fact that small business forms competitive environment inside the consumers' sector of economy and influences the economical development directly.

Key words: small business, marketing, efficient management, market, competitive environment.

У статті розглянуто основні проблеми управління на малих підприємствах, виділено особливості маркетингу та менеджменту у малому бізнесі. В сучасних економічних умовах розвиток малого бізнесу є одним із найважливіших завдань державної політики. Високий ступінь соціально-економічної значущості малого бізнесу обумовлює необхідність удосконалення системи його підтримки та регулювання для забезпечення сприятливих умов функціонування, збереження існуючих позицій та подальшого розвитку підприємницьких структур. В даний час малий бізнес  $\epsilon$  невід'ємним елементом ринкової системи господарювання, який визначає темпи економічного зростання, сприяє розвитку інновацій і технологій, забезпечує формування податкових надходжень за рахунок створення додаткових робочих місць, тим самим підтверджує свою ефективність і стійкість до ринкових умов, що швидко змінюються. Однак за значного економічного потенціалу малого бізнесу проблеми, пов'язані з нестачею фінансових ресурсів, що обмежують зростання виробництва на підприємствах, потребують подальшого вивчення. Малий бізнес  $\epsilon$  одним з секторів економіки, що найбільш швидко розвиваються. Проте дуже мало малим підприємствам вдається вести справу так, що їм можна просто позаздрити. Успіх діяльності малих підприємств великою мірою залежить від ретельно продуманої політики, добре розробленого плану дій. Останнім часом скорочується кількість суб'єктів малого бізнесу, що пов'язано зі зниженням їх прибутковості, скороченням доходів населення та умовами підприємницької діяльності у зв'язку з військовим становищем у країні в цілому. У цих умовах на перше місце виходять питання ефективного управління малим бізнесом, адже грамотно прийняті рішення в галузі менеджменту та маркетингу дозволяють підприємству адаптуватися до реалій та продовжувати свою діяльність. Актуальність цих питань зумовлена тим, що саме малий бізнес дозволяє створити конкуренцію всередині споживчого ринкового сектора економіки та безпосередньо впливає на економічний розвиток. Застосування технологій маркетингу та менеджменту безпосередньо впливають на ефективність малого бізнесу. Маркетинг дозволяє знаходити нових клієнтів, нові можливості для

зростання, а застосування грамотних управлінських рішень дозволяє мотивувати співробітників, розширювати особистісний ринок та дозволяє підприємству триматися на ринку тривалий час. Менеджмент у малому бізнесі є правильним вибором стилю та методів управління, а грамотне застосування механізмів та інструментів менеджменту дозволить малому підприємству домогтися довгострокових позитивних результатів у своїй діяльності та стійкого становища на ринку конкурентів.

Ключові слова: малий бізнес, маркетинг, ефективний менеджмент, ринок, конкуренція.

Formulation of the problem. Modern market relations are very dynamic and independent, which makes it possible to form all kinds of ownership, as well as to build different structures within them. Today, one of the most important links in the Ukrainian economy is entrepreneurship, which has found its niche in small business. Mostly, it is small business that allows to create competition within the consumer market sector of the economy. In the international sector, the influence of small business is very significant. It involves changes in the economic sphere, and more precisely in the growth rate, and the impact is also manifested on the gross national product, on its qualitative and structural part.

**Analysis of recent research and publications.** In the process of writing this article, such general scientific methods as description, analysis, alignment, grouping were used. An analysis was made of scientific and primary literature, the Internet was carried out.

Smaller business is an economic entity in the system of market-based businesses that function like others, and create middle-sized autonomous businesses. For small businesses, the market assortment of goods and services, which hopes to improve, among them, there is a decrease in unemployment in the country in connection with the invasion of Russia into Ukraine (war), and the base is also significantly increased grants for the budgetary sectors of the economy. It is impossible not to notice the impact of small business on economic development, with its dynamics, and to build the stability of internal systems. [1]

**Formulation of the purpose of the article.** The relevance and purpose of this article is determined by the fact that small business itself allows to create competition in the middle of the slow market sector of the economy and directly invest in economic development. Encouraging marketing and management technologies to directly improve small business performance.

**Presentation of the main material.** Small business acts as an integral part of the financial sector of the country, as well as in the role of a fairly profitable link in the budget system of the state, as a result of which there is a general increased interest of various sectors of the economy in the development of entrepreneurship. The given course leads to positive results, the investment part improves, and at the same time an innovative and productive structure.

In the domestic market, the concept of small business is not so old, but, despite this, it functions with enviable success, develops, and is enriched with experience and skills in competent business management.

The decrease in the number of small business entities is associated with a decrease in their profitability, a decrease in the income of the population and the conditions of business activity in general, due to the military situation in the country.

Undoubtedly, in these conditions, the issues of effective management of a small business come first, because competently made decisions in the field of management will allow the enterprise to adapt to realities and continue its activities.

Running a small business can be called an art, since it, unlike a medium or large one, has its own nuances and pitfalls. First of all, it was provoked by the compilation of laws, norms, rules and accounting forms that regulate the functioning of small businesses. One of the theories of small business says that a small number of personnel at the enterprise affects its effective working capacity, because it is easier to regulate and direct the activities of employees.

Let's consider some features of management at small business enterprises, namely management and marketing.

The beginning of the management process has a special influence on organizational management.

Problems that the management system can solve:

- formation and structuring of job duties and powers;
- organization of the rating system of all employees of the enterprise;
- development of the most optimal organizational plan.

The main difference of a small business is the presence of one manager, in the role of the director, that is, the owner of the enterprise himself.

With one-person management, it is possible to minimize disagreements in various management processes, as well as in choosing the vector direction of business development. In a situation where there are several owners, a decision is made to remove the position of director or general director. His authority includes decision-making in management matters, but the final decision rests with the owners, who are informed by the director. Consequences of decisions can be positive and negative. If there are contradictions between the owners of the enterprise in management decisions, they resort to the voting method. As for the sole management of the organization, the owner manages finances, deals with issues of taxation, production, and supply [2].

At least the expansion of one's business arises in the creation of a management structure. The group may include both the director and the supply specialist, the chief accountant, including the commercial director. Despite the simplicity of this structure, certain difficulties arise in small and medium-sized businesses that need to be resolved.

One of the main reasons for the emergence of problems is the marketing illiteracy of small business owners, or rather their lack of qualification in management decisions. As a result, organizations are forced to turn to consulting companies or hire experienced managers for successful operation.

The main task of managing a medium and small business is its stabilization and consolidation of positions on the market.

There are special qualities in the management of small and medium-sized enterprises. The head of the organization must have a universal set of qualities. Most often, his responsibilities include managing the company, engaging consumers, studying risks, and recruiting personnel.

The difference of a small business is the exercise of power in an informal way, as a result of which special requirements are placed on the manager. His tasks include ensuring the proper atmosphere in the team and positive results in the organization's activities, respectively. The manager's responsibilities include setting goals and objectives, as well as monitoring their implementation, that is, performing several tasks at the same time.

Perhaps, the main problem of small business is the limited resource base and the occurrence of large risks, the limited budget for advertising and marketing activities. The functioning of the organization directly depends on successful marketing and advertising. Marketing activity affects the stability and positioning of the company in the market segment.

Small business owners do not have the ability to use expensive advertising and marketing unlike large net profit organizations. This prompts small business owners to increase profits and strengthen their positions in the market segment to look for different methods of promoting goods and services and attracting new consumers with minimal costs.

Over the last period, the term "guerrilla marketing" has become quite relevant among marketers. This is the name of marketing and advertising methods that ensure the attraction of new consumers without large financial investments or do not require them at all. Hence the conclusion that guerilla marketing is marketing with minimal costs [3].

There are several ways to minimize the costs of the organization:

1. Systematically implement marketing and advertising measures. The maximum effectiveness of advertising promotion can be achieved systematically, quick and expensive advertising will not bring the desired result.

- 2. Choose. The market assortment is full of inexpensive tools for small businesses. The effectiveness of the tools is determined on the basis of the audience reached, the establishment of contacts, the cost of one involved consumer.
- 3. Evaluate. In order to always remain relevant on the market, it is necessary to constantly monitor user requests, take into account their opinions, hobbies and needs, and find out their attitude to products. This allows you to invest in something that can really bring profit to the company.
- 4. Invent. To compete successfully, companies need to use familiar and create new ways and types of marketing.

Marketing management refers to the relationship between consumer demand and the organization's ability to offer one or another product. A positive result of the study is considered a situation when the organization receives the necessary profit for its further activities, in the form of meeting the needs of customers. In order to achieve such a result, it is necessary to adhere to a marketing plan, the development of which involves solving the identified problems. Each company develops its own marketing strategy. Tasks can be adjusted. They can be synthesized or, on the contrary, separated, based on the volume of production, its demand, and even the size of the enterprise itself.

- 1. Analysis of consumers and their needs. This analysis allows you to determine for which users which product is intended. It is rational to use the method of segmentation in relation to consumer needs. It involves dividing the market into different groups of consumers who are interested in different products, therefore, different approaches should be applied to them. And that is why it is necessary to define the exact subject of research. Analysis of the target segment is the starting point in business activities.
- 2. Evaluation of market segments. The next point of the strategy development plan is the analysis of the degree of attractiveness of the proposed market sector. This technique involves the use of various marketing tools. The factors of market trends, the size of the market segment, opportunities, goals and objectives of the organization must be taken into account. The basis of the attractiveness analysis method is the study of the opportunities of the market sector under investigation. One should not forget about the life cycle of the studied product.
- 3. Assessment of one's capabilities in competition. This event involves a sober assessment of the possibilities of small and medium-sized enterprises in the market sector. Both own advantages and competitors' advantages are analyzed. This method is directly related to the preliminary positioning of each available product included in the «portfolio» provided to certain target groups. There are many analytical approaches that are based on the analysis of the proposal.
- 4. Determination of the range of products. Conducting this analysis allows you to choose the most relevant product that is successful among consumers.
- 5. Determination of the development strategy. The entire plan of action of the enterprise depends on the correctly chosen strategy. Therefore, this is a priority task for marketing activities. There are such types of strategies as concentrated marketing, undifferentiated marketing, differentiated marketing [2; 5].

Thus, the marketing system is currently one of the key elements in the structure of medium and small businesses in Ukraine.

The following set of measures to support medium and small entrepreneurship are identified:

- Ability to competently use double productive analysis;
- Necessary redistribution and accounting of marketing costs for the cost of manufactured goods;
- The ability to properly use state support and state funding, participation in various programs, subsidies and grants is required. At the enterprise, it is not enough to use average statistical data, among other things, there is a need for personal analytics that compares and compares different marketing channels. Applying double analysis in your business allows you to find weak points in it. The main advantage of the personal methodology is the abso-

luteness and specification of relationships between marketing channels. This can be traced in a situation where, depending on the choice of partner programs, an absolutely identical procedure can give the opposite result;

- The possibility of full or partial payment with the help of partner bonus programs. It follows from this that it would be more expedient to establish friendly relations with partners who, in fact, will develop their bonus programs, than to plunge into the abyss and study an unfamiliar economic structure. The preferred and priority task is considered to be the system when there is stimulation of labor payment. The advantage of this structure is its fair ratio of the proportion of wages to the quality of the work performed or its productivity. Such a system will stabilize the economy in a critical situation. This, in turn, will affect the fact that partner offices can provide the opportunity to freely move on someone else's platform [4].

Conclusion. Thus, it can be concluded that the application of marketing and management technologies directly affects the efficiency of small businesses. Marketing allows you to find new customers, new opportunities for growth, and the application of competent management solutions allows you to motivate employees, expand the personal market and allows the company to stay on the market for a long time. Management in a small business is the right choice of management style and methods, and the competent application of management mechanisms and tools will allow a small business to achieve long-term positive results in its activities and a stable position in the market of competitors.

### **References:**

- 1. Zhosan H.V., Kyrychenko N.V. (2022) Menedzhment personalu v umovakh postpandemiyi ta voyennoho stanu v Ukrayini. *Tavriys'kyy naukovyy visnyk. Seriya Ekonomika*, vol. 12, pp. 48–54. Available at: http://tnv-econom.ksauniv.ks.ua/index.php/journal/article/view/245/240
- 2. Kurbatska L.M. (2013) Marketyngh v systemi upravlinnja pidpryjemstvom [Marketing in enterprise management system]. *Elektronne naukove fakhove vydannja "Efektyvna ekonomika" Dnipropetrovsjkogho derzhavnogho aghrarno-ekonomichnogho universytetu*, no. 5. Available at: http://www.economy.nayka.com.ua
- 3. Jay Conrad Levinson (2015) "Guerrilla Marketing: Easy and Inexpensive Strategies for Making Big Profits from Your Small Business".
- 4. Kyrychenko N., Zhosan H. (2021) Kharakterystyky marketynhovoho seredovyshcha pidpryyemstva. *Ekonomika ta suspil'stvo*, no. 33. DOI: https://doi.org/10.32782/2524-0072/2021-33-82
- 5. Dymova H., Larchenko O. (2023) Sensitivity analysis of dynamic systems models. International security studios: managerial, economic, technical, legal, environmental, informative and psychological aspects: International collective monograph. Georgian Aviation University. Tbilisi, Georgia, pp. 283–298. DOI: https://doi.org/10.5281/zenodo.7825520

### Список використаних джерел:

- 1. Жосан Г.В., Кириченко Н.В. Менеджмент персоналу в умовах постпандемії та воєнного стану в Україні. *Таврійський науковий вісник. Серія Економіка.* 2022. Вип. 12. С. 48–54. URL: http://tnv-econom.ksauniv.ks.ua/index.php/journal/article/view/245/240
- 2. Курбацька Л.М. Маркетинг в системі управління підприємством. *Електронне наукове* фахове видання «Ефективна економіка» Дніпропетровського державного аграрно-економічного університету. 2013. № 5. URL: http://www.economy.nayka.com.ua
- 3. Jay Conrad Levinson. «Guerrilla Marketing: Easy and Inexpensive Strategies for Making Big Profits from Your Small Business». 2015.
- 4. Кириченко Н., Жосан Г. Характеристики маркетингового середовища підприємства. *Економіка та суспільство*. 2021. № 33. DOI: https://doi.org/10.32782/2524-0072/2021-33-82
- 5. Dymova H., Larchenko O. Sensitivity analysis of dynamic systems models. International security studios: managerial, economic, technical, legal, environmental, informative and psychological aspects: International collective monograph. Georgian Aviation University. Tbilisi, Georgia, 2023. P. 283–298. DOI: https://doi.org/10.5281/zenodo.7825520