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THE FORMATION OF MARKETING MECHANISMS FOR MANAGING BUSINESS DEVELOPMENT BASED ON PREDICTIVE ANALYTICS

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BACKGROUND AND OBJECTIVES.

Improving the operation of a commercial enterprise is an integral task of a growing business. In modern conditions of rapid global technological growth, systems of analysis and statistics come out on top in terms of efficiency. The introduction of a business management system through marketing and predictive analysis will allow you to stand out in a competitive environment and make the company more sustainable and competitive. The solutions currently available cannot solve the emerging business problems. These software solutions are often complex, require large amounts of raw data, and end up producing questionable statistics that cannot be further applied. Therefore, the whole business is faced with the task of finding and implementing simple but really working methods of analyzing activities and managing the development of an enterprise.

METHODS. It is proposed to use a business management system through marketing and analytics. Changes in the hierarchy of the enterprise will allow to unite all structural divisions with a single link, which will help to coordinate and direct the entire business as a whole. The next qualitative change should be called the introduction of a predictive analytics system, which will allow making decisions accurately and on time. Particular

importance should be attached to predictive analysis using the SALSA method. The simplicity and adaptability of this method of analysis will allow it to be implemented not only in large, but also in medium and small enterprises.

FINDINGS. It is proposed to present the results of predictive analysis in a simple and understandable form to ensure clarity, comparability and the ability to quickly make the right strategic decisions. To improve the competitiveness of companies, it is proposed to change the structure of the business hierarchy and manage departments using statistical and analytical data obtained by the marketing department.

CONCLUSION. Accurate data and strong interconnection of all departments in the company will be able to ensure stable operation, reduce costs, increase margins and competitiveness of the company. The introduction of a management system based on predictive analysis will help to avoid critical points in the work of the enterprise and respond in time to changes in the internal and external environment. High efficiency of work will help to enter new markets not only in Ukraine but also abroad.

KEYWORDS: marketing; predictive analytics; business management; business efficiency.

NUMBER OF REFERENCES	NUMBER OF FIGURES	NUMBER OF TABLES
14	5	2

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ФОРМУВАННЯ МАРКЕТИНГОВИХ МЕХАНІЗМІВ УПРАВЛІННЯ РОЗВИТКОМ БІЗНЕСУ НА ОСНОВІ ПРЕДИКТИВНОЇ АНАЛІТИКИ

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ПОСТАНОВКА ПРОБЛЕМИ ТА ЗАВДАННЯ. Удосконалення роботи комерційного підприємства є невід'ємним завданням бізнесу, що розвивається. У сучасних умовах швидкого світового технологічного зростання на перше місце за ефективністю виходять системи аналізу та статистики. Впровадження бізнесом системи управління через маркетинг і предиктивний аналіз дозволить виділитися у конкурентному середовищі та зробити підприємство більш стійким та конкурентним. Існуючі зараз рішення не можуть вирішити проблеми бізнесу, що виникають. Ці програмні рішення найчастіше складні, вимагають великих обсягів сирих даних, а в результаті видають сумнівні статистичні дані, застосування яких у подальшому неможливо. Тому перед усім бізнесом стоїть завдання у пошуку та реалізації простих, але дійсно працюючих методів аналізу діяльності та управління розвитком підприємства.

МЕТОДИ. Пропонується використовувати систему управління бізнесом через маркетинг та аналітику. Зміни в ієрархії підприємства дозволять принципово об'єднати всі структурні підрозділи єдиним зв'язком, який допоможе координувати та спрямовувати весь бізнес у цілому. Наступною якісною зміною слід назвати впровадження системи предиктивної аналітики, яка

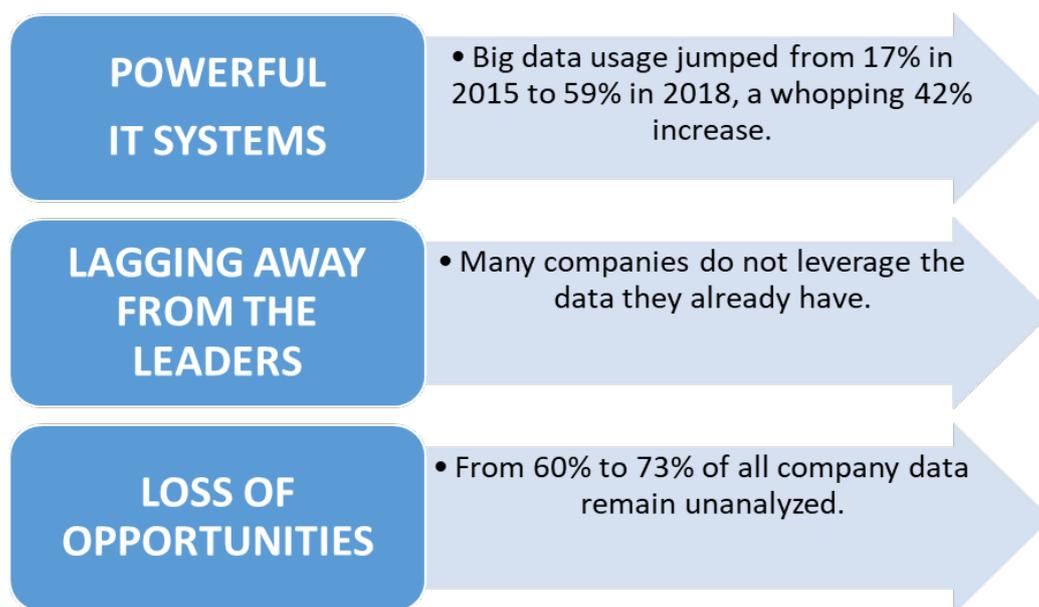
дозволить приймати рішення точно та вчасно. Особливого значення слід надавати предиктивному аналізу методом САЛЬСА. Простота та адаптивність даного методу аналізу дозволить впроваджувати його не лише на великих, а й на середніх та малих підприємствах.

РЕЗУЛЬТАТИ. Пропонується подавати результати предиктивного аналізу у простій і зрозумілій формі, щоб забезпечити ясність, сумісність та можливість швидко приймати правильні стратегічні рішення. Для підвищення конкурентоспроможності компаній пропонується змінити структуру ієрархії бізнесу та управляти підрозділами, використовуючи статистично-аналітичні дані, отримані відділом маркетингу.

ВИСНОВКИ. Точні дані та міцний взаємозв'язок всіх підрозділів у компанії зможе забезпечити стабільну роботу, зниження витрат, підвищення маржальності та конкурентоспроможності компанії. Впровадження системи управління на базі предиктивного аналізу допоможе уникнути виникнення критичних точок у роботі підприємства і вчасно реагувати на зміни внутрішнього та зовнішнього середовища. Висока ефективність роботи допоможе вийти на нові ринки збуту не лише в Україні, а й за її межами.

КЛЮЧОВІ СЛОВА: маркетинг; предиктивна аналітика; керування бізнесом; ефективність бізнесу.

Introduction. In today's world, data processing technologies are moving faster and faster. The main breakthrough was made by Google a few years ago, creating an incredibly powerful quantum computing system Google Quantum. For example, a computational task that the most powerful IBM computer can complete in ten thousand years can be completed by a new one in about three minutes. This development of technologies has given a sharp jump in the use of artificial intelligence and analysis of big data.



Source: author's development.

Fig. 1. Development of big data use by companies

According to Microsoft, Big Data usage jumped from 17% in 2015 to 59% in 2018 – a whopping 42% increase. By 2025, this value will increase to seven hundred percent.

However, a recent survey found that many companies are not leveraging the data they already have. Between 60 percent and 73 percent of all enterprise data remains unanalyzed. And forty-seven percent of enterprises do not use 90 percent of information at all.

These are amazing numbers! Especially if you think about the potential benefits that a small business could take advantage.

Based on this, the global services market began to create many software products that, using big data, are able to find connections and provide users with analytical and statistical information. In today's world, the use of such systems is a mandatory tool for the full-fledged work of the marketing department and the entire company as a whole. The use of similar tools makes it possible to increase work performance and decision-making accuracy.

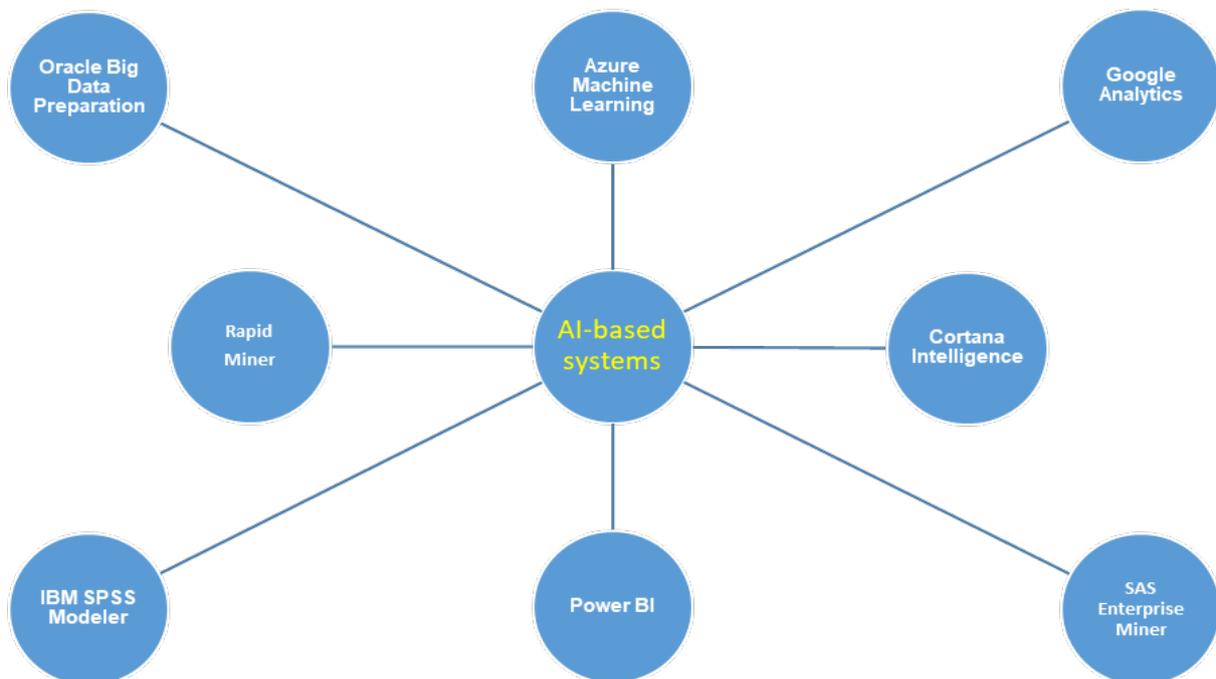
Materials and Methods. Global solutions in the field of analytics are divided into three main areas:

Descriptive Analytics – Examines data and uses key performance indicators to demonstrate the current state of the business.

Predictive analytics – This type of analytics is a continuation of the previous stage and tries to predict future actions based on historical trend data.

Prescriptive (recommendative) analytics – This form of business analytics can determine the best course of action in a particular situation.

What do we have as a result? Many well-known corporations began to release a huge number of solutions to the market of business services, in particular, in the so-called predictive analytics. But in fact, even the largest of these programs cannot provide businesses with truly competent forecasts. Perhaps everything rests on the fact that programmers are not able to understand the logic and methods of economic and financial analysis. They use certain patterns and confidently name this data predictions. The final data of such IT services are prescriptive conclusions based on descriptive analytical relationships. At the same time, the systems use various methods of classification and statistics, often simply incomprehensible to the user, modeling the general system of a tree of dependencies, which are then difficult to understand and use for their needs. As you can understand, these are just pretty charts and tables with no practical use.



Source: author's development.

Fig. 2. Modern systems for analysis and processing of statistical data

In addition, all modern systems are either very difficult to use or require significant financial costs for implementation and maintenance. Not every company, even a fairly large one, can afford to significantly expand the staff of programmers, analysts, and support specialists.

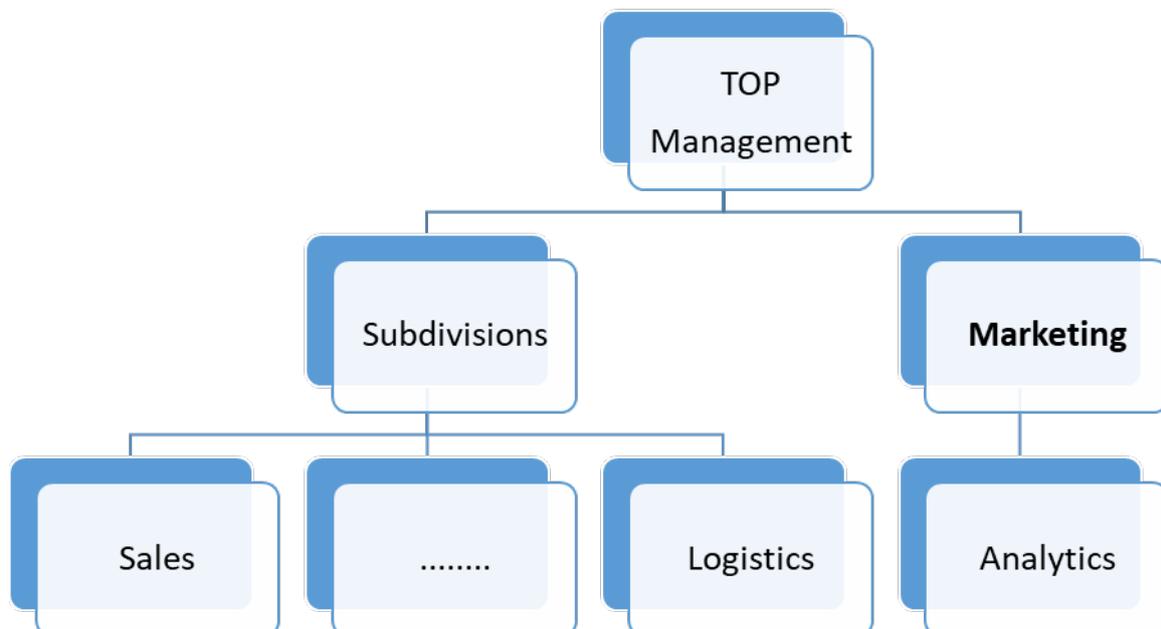
Perhaps similar analytical systems would become really useful if they were based on detailed methods and mechanisms. But this field is now just beginning to develop, and in fact, apart from general theories, there is no specific direction of development.

Many famous scientists are engaged in similar research, but so far we only have separate parts of the whole, but only some corporations have managed to create full-cycle mechanisms so far, and they are not going to share their developments with competitors.

Now I propose to consider the situation that we have in the Ukrainian market.

Almost one hundred percent of Ukrainian enterprises in any field of activity have a fairly standard organizational structure. I will not stop now on the nuances. Let's focus on what I think is the main division – marketing and branding.

Results and Discussion. In Ukraine, there was a clear acceptance that marketing is the advertising department and the most unnecessary and costly organizational unit, without which for some reason the work of the enterprise is impossible.



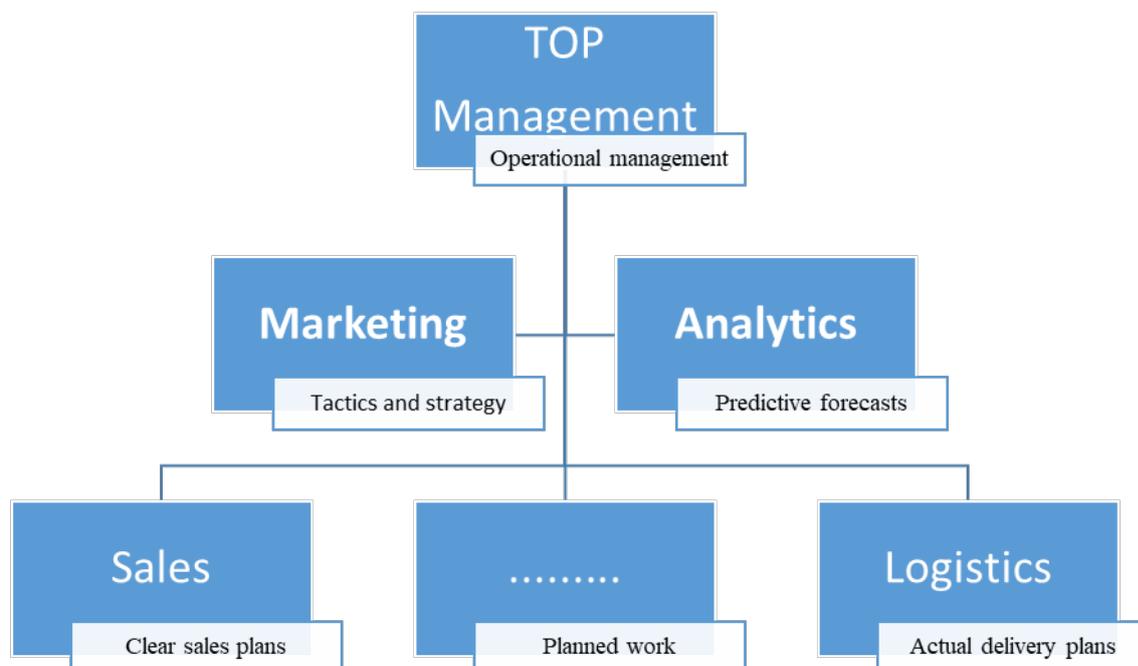
Source: author's development.

Fig. 3. Standard structure of business process hierarchy

Accordingly, there is practically no connection between marketing and functional divisions, I am not saying that the recommendations of marketers and analysts are mostly not taken seriously.

Oddly enough, this is caused by the very low quality of marketers produced by a large number of Ukrainian consulting companies. A marketer in a week is no longer funny at all, but recently there are more and more such specialists. This is a mass phenomenon in my opinion and leads to a general negative situation in business.

The system of Ukrainian enterprises can be built according to a more competitive scheme, where marketing directly manages and controls all divisions of the business, obeying only the management and providing top managers with complete statistical and analytical information for making the most optimal decisions, and in the future, their adoption by all structural departments of the company as quickly as possible. If any tension points appear in the company during work, the marketing department can get the necessary data in time and provide them to the directorate for making the right decisions. During marketing management, the company's analysts constantly monitor information at different levels: external, internal and general. Different strategic decisions require full possession of information at different levels, therefore it is necessary to create constant monitoring of internal processes that depend on external factors, and this is possible only with the structure of the enterprise when the management of divisions is carried out under the control of marketing.

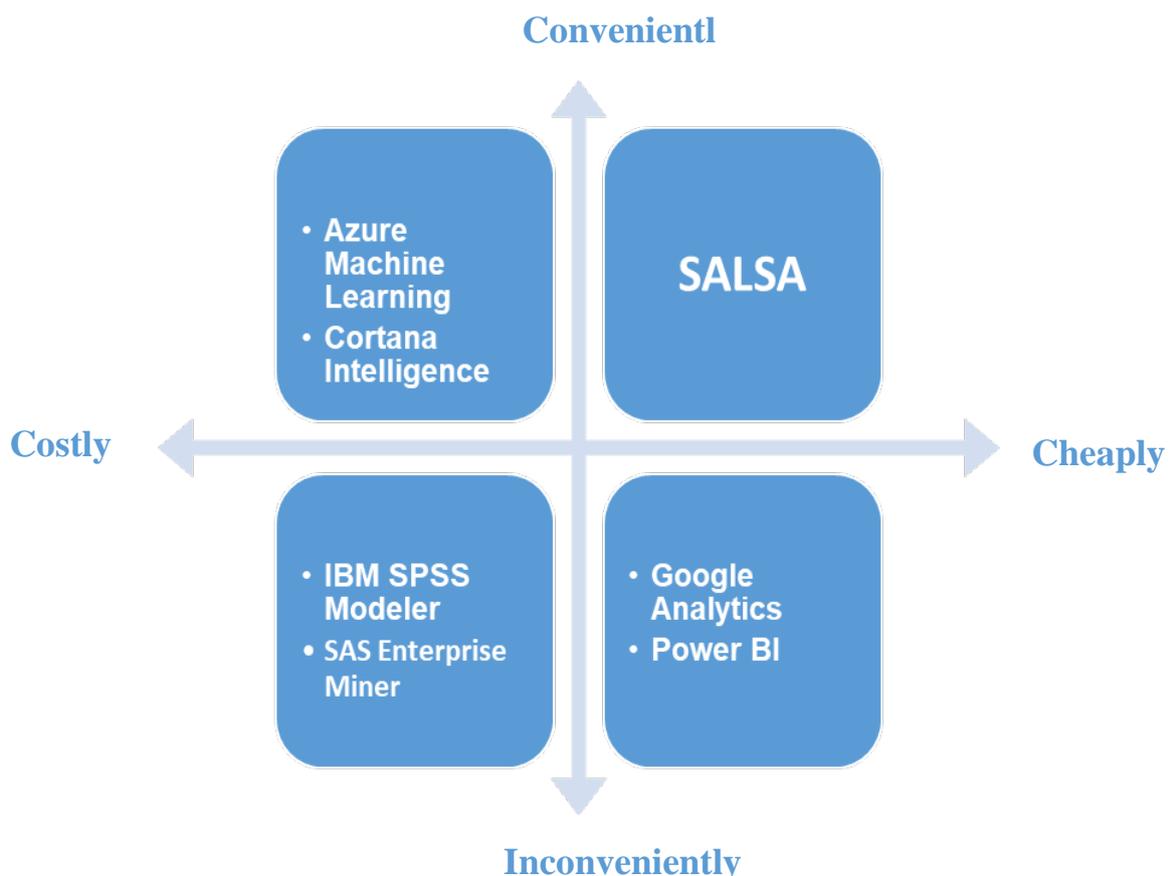


Source: author's development.

Fig. 4. The structure of the company's hierarchy when managing business development based on marketing

The basis of Ukrainian business is small and medium-sized enterprises. They have very simple, but at the same time complex requirements for the implementation of any analytical tools. These are simple methods of creating a marketing information and analytical system. Simplified methods of predictive analysis without the use of complex software products. Methods that do not require special knowledge and skills from analysts and business marketers who already work at the company. They need a marketing information and analytical system based on predictive analytics that covers all business divisions and provides really effective results.

One of the options suitable for all these needs is a set of new author's marketing methods and business development mechanisms using predictive analytics. These are simple solutions that do not require special financial investments and deep knowledge of the staff. The main of such methods is segmental abstract logical statistical analysis (SALSA).



Source: author's development.

Fig. 5. Service sets of marketing and analytical methods and tools

Such new methods will connect all divisions from logistics to sales. Formed data connections will help to display previously hidden dependencies,

show tendencies and trends in both the micro and macro environment. They will help the business to quickly respond to the smallest changes in the environment, on the market, which will give undeniable competitive advantages.

The creation of a new marketing information and analytical system at the enterprise based on predictive analytics will eventually allow to rebuild the entire business sphere of the country and will open the possibility of simple expansion to foreign markets. By having a company structure based on business management through marketing, companies will become insured against many risks and become stronger, more competitive and more successful.

Conclusion. What can be said as a result, despite the works in the field of predictive analytics by such scientists as Eric Siegel, Dave Millner, Nadeem Khan, James Yang, the world has not received fully working methods in this field. It is necessary to justify the conceptual provisions regarding the use in practical activities of a new form of enterprise management based on marketing mechanisms of formation and implementation of the predictive analytics system. It is necessary to develop a new approach to the creation by enterprises of new rules for placing offers on the markets by applying predictive marketing strategy mechanisms.

The improvement of scientific and methodical approaches to the application of marketing research in the process of marketing management of the company's activities takes place very quickly throughout the world. But until now, we do not have a set of really working schemes for the development of small and medium-sized businesses, where each manager can choose the one that suits him best. That is why the use of the company's management system based on marketing and predictive analysis using the SALSA method becomes one of the main advantages and a active competition on the market.

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