

THE SYSTEM OF MARKETING PLANNING AT THE ENTERPRISE AND ITS FORMATION PRINCIPLES

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Abstract. The article deals with the nature of marketing planning at the enterprise and its features. The authors study the methodical approach of marketing planning, taking into account the market situation at the domestic market. The authors offer the systematization of the formation principles of the marketing planning system at the enterprise.

Keywords: planning system, marketing, marketing strategy, enterprise, the domestic market, consumers, competitors, the market situation, the principles of marketing planning.

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Introduction

Today there are many methodological approaches to the definition of marketing planning at the enterprise. Summarizing the data of the foreign and domestic literature in the field of marketing planning, it is possible to identify four main areas where it's examined from the position of the content, in terms of the decision-making as a process of development, an application strategy and a part of further planning. At the same time, we should pay more attention to the study of this system, taking into account the market situation at the domestic market and the principles of its formation.

Analysis of the Marketing Planning System

Marketing planning is a managerial process of creating and maintaining a fit between the goals of the enterprise and its potential in the processes of market activity. It exists in order to develop a clear program of action that will allow you to control the speed, consistency and results of changes with the aim of obtaining the desired results within a certain period. The opposition of marketing planning is the improvisation, which is based on the unscheduled decisions, and the spontaneous, intuitive decisions.

Marketing planning should be considered to be the process by which business leaders predict the future and take the necessary steps to achieve that future. They should examine the activities to determine the goals of the company and their changes, resources needed to achieve them, and policies on acquisition and use of these resources.

On the other hand, marketing planning as a process is a sequential interdependence measure for the solution of the existing problems. Accordingly, one can distinguish the

following stages of marketing planning:

- defining the purpose of planning (in future it will allow to determine the functions of planning, criteria of decision-making, to organize a system of control);
- problem analysis (defining the existing and desired end situations and also the basic problems of implementation and planning);
- search of alternatives (the definition of the available opportunities to solve the existing problems);
- forecasting (the formation of ideas on future development of the most important indicators of marketing activities, the expected behavior of competitors, consumers);
- estimation (selection of the alternatives, adequate to set a goal);
- decision and adoption of the planned tasks (developing a clear marketing plan: recommended or mandatory for the execution).

The main tasks of marketing planning are the following:

- bringing potential of the company into accordance with the requirements of consumers' selected target markets;
- optimal integration of all types and directions of the company's marketing activity;
- the definition and justification of marketing activities' list;
- the marketing action's focusing on: who will perform, where, how and when.

Depending on the duration (the period within which they develop), the marketing plans are divided into the short-term (annual), the medium- term (1-3 years) and the long-term ones (3 years or more) (table. 1).

Table 1

Characteristics of Marketing Plans in Dependence on Their Duration:

Plan view	Planning tool	Content of planning
Perspective	Heuristic methods, simulation of economic processes	The development of forecasts, the long-term goals, improving the image, improving the quality, competition, strategic planning
Medium-term	By extrapolation, analytical methods (algorithms)	The development of the medium-term objectives, planning of new products, the formation of distribution channels
Short-term	Analytical methods (algorithms)	Development goals for the year, planning of the advertising's annual budget, other marketing operations, assortment

Depending on the extent, the marketing plans are divided into the ones at the grocery (for individual products and product groups of the company), for the entire range of products of the enterprise or being a part (section) of the General economic plan.

According to their development, they are divided into the developed ones, according to the "bottom-up" principle (on the basis of the information provided to workers of the marketing department with the other departments of the enterprise) and the "top-down" principle (planned activities, managed and controlled centrally).

According to the object, the marketing plans are divided into the corporate (general corporate), devon (individual units), business (individual activities) and product ones (specific groups or types of products).

As for the content planning, they are divided into the strategic (looking for the new opportunities and goods production), the tactical (the creation of conditions for the well-known features and products) and the operational ones (implementation of the specific opportunities).

According to the subject, they are formed as the target (the definition of common strategic, tactical and operational goals and constraints), the object (personnel planning, information, advertising, finance, etc.), the software (creation of prerequisites for the implementation of remedies) and the procedure (planning of specific actions, for example, sales of products).

The system of marketing planning exists to define the main objectives of the company and is focused on the definition of the planned end results, based on the tools and methods to achieve the goals and provide the necessary resources. Moreover, it is the process of making management of marketing solutions. The result is a set of actions and decisions of management that leads to the development of marketing strategies to achieve their goals.

In the process of marketing planning formation the following should be done:

- approve the organizational structure relative to the strategic development;
- identify the favourable and threatening features for the business external factors;
- prepare a project plan to estimate the advantages and disadvantages of the enterprise;
- approve the main line of development, focusing on which you can test various strategies;
- monitor the trends that may prove to be vital for the process of products' sale at the market;
- develop the short-term solutions in the framework of the marketing activities' strategic plan.

The major functions of marketing planning in a market economy are modelling of future changes in the marketing environment from the point of view of the desired state and coordination of all system elements in order to achieve this desired state.

Summarizing the scientific data, it is possible to define the following tasks of marketing planning:

- formation of the organization's goals and activities;
- objective identification of the complex trends of management;
- analysis of the enterprise potential and determination of the resources' level
- identification of the alternative development;
- identification of problems, requiring the strategic decision-making;
- prediction of possible changes in the external environment and adjustment to them by developing the optimal strategy of the enterprise.

Summarizing the goals, objects and functions, we can conclude that marketing planning is a specific kind of practical activities of the enterprise and the organizational system.

Taking into account the above mentioned, the system of marketing planning should be understood as the system of governance in which strategic decisions are made in the sequence, based on the data of the information systems within the exact specified subsystems of the organizational support and management. The system of marketing planning is considered to be a complex, which includes such several subsystems as:

- system plans;
- planning process;
- subsystem of decision-making;
- subsystem of organizational support;
- subsystem of strategic planning control.

A modern approach to marketing planning involves the interrelationship of planning with another planning functions and the necessity of these linkages' examination, when designing a planning system, information system and other support systems.

Summarizing the results of the theoretical research, we reveal the strategic planning system's organizational basis of marketing planning fundamentals at the enterprise. The strategic planning system at the enterprise is a set of the organizational and economic methods and techniques, aimed at the problems decision of enterprises' adaptation to the external environment.

In the system of the strategic marketing planning it is proposed to allocate the following six subsystems: the information support, forecasting options for the development of the external events, the evaluation and selection of strategic decisions, the organizational and methodic maintenance of the planning process, the system plans of the company, the evaluation of the strategic plans' implementation effectiveness. The subject of the above mentioned is the proposed system of marketing planning at the enterprise (Fig. 1).

One of the basic elements of marketing planning is an information subsystem. In this subsystem one should focus on the data, obtained in the analysis of the external environment, which affect all aspects of the company (status and prospects of the market, product, sector, performance of competitors, main suppliers, etc).

The forecasting subsystem is intended to describe the possible variants of the external situation development, the construction of the alternative scenarios in case of conditions' changes of the enterprise activity. The building of a real forecast is provided by the completeness and accuracy of the data, received from the information systems.

The strategic marketing planning is inextricably linked to the evaluation and selection of the strategic decisions. It is the very subsystem where the formation of goals and strategies of the enterprise development, the evaluation of their implementation possibility, the identification of problems and the choice of the optimal development strategy exist.

The organizational and methodic maintenance of the marketing planning process is a formation element of the strategic planning procedure. It contains: the definition of the state and allocation of the functions between the personnel, involved into the planning process; the development and approval of the planning documents' forms; the definition of the planning period; scheduling of the planned works.

The marketing plans' system is the most important subsystem, because it is a result of the strategic planning process. The necessity of a system of the interrelated plans is the fact, addressed to the strategic planning, being very complex and requiring a comprehensive methodological approach. So, a simple plan or a hierarchy of multiple plans could not ensure the realization of the objectives of a large engineering enterprise. It should be a linked system of the interlocking plans that reflects the aspects of all problems, confronting the enterprise

The evaluation system of the strategic marketing plans' implementation is necessary to monitor the achievement of the planned objectives or the desired state. In this subsystem we should display the criteria of the strategic planning efficiency and provide measures to regulate the deviations in the planning process with the aim of the intended results' obtaining.

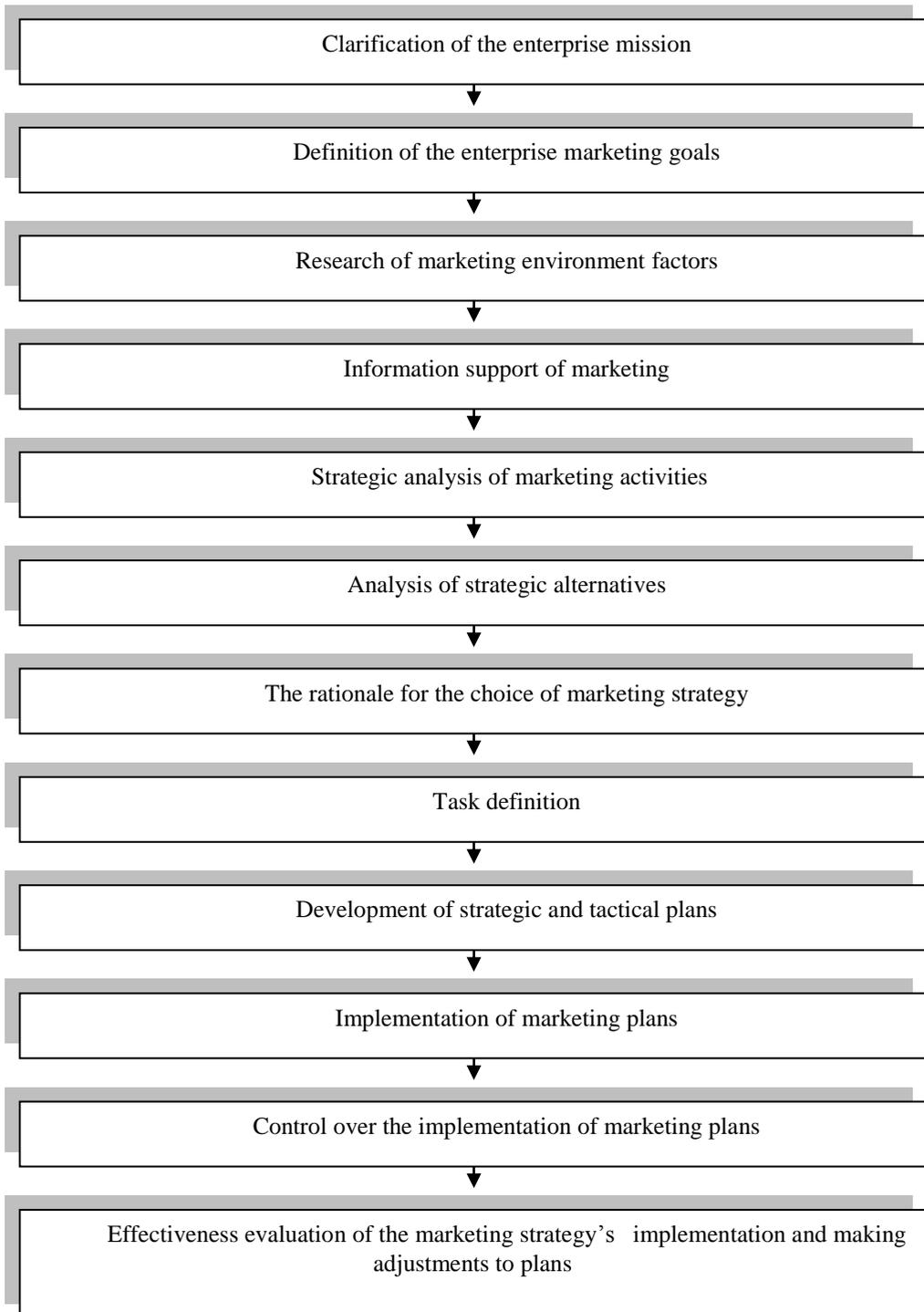


Fig.1. The proposed system of marketing planning at the enterprise

The proposed approach to the composition and content elements of marketing planning at the company has a more complete coverage of all the subsystems that ensure the effectiveness of its functioning.

To summarize, it can be noted that the main purpose of marketing planning is to identify the optimal variant of all the possible alternative ones of the enterprise development in future.

It is an organizational and economic system, providing a continuous decision-making process, in which:

- the goals and objectives of the company are set and specified in time;
- the strategies are defined to achieve them;
- the detailed plans, reflecting the different aspects of economic activity, are developed.

The process of marketing planning is based on several principles, i.e., the rules that should be followed at its implementation. All the principles are divided into the following three groups:

- the universal ones, which include the marketing orientation, consistency, complexity, the continuity of the process, being scientific, normative, situational, having the administrative-behavioural approach, etc.;

- the general ones, which include the creation of a single planning system, continuity, flexibility, integration and coordination of plans, providing a feedback on the planning system, economic balance and validity of plans to ensure the achievement of objectives, etc.;

- the particular ones, covering the consistency of the strategic and operational (tactical) planning, ranking of the strategic planning objects, according to their importance, the plan consistent with the parameters of the environment, variations of the plan, the adequacy of the planned performance, risk estimation, etc.

Plans should be adjusted in accordance with the changing internal and external conditions of the enterprise or should be developed anew. In accordance with this principle, planning is not considered to be an isolated act but a constantly iterative process. The principle of continuity requires all plans to be developed on the basis of the perspectives, because they are the basis for the plans' preparation in the future.

The following plans should be based on the previous ones, considering the results of their performance. Continuous planning allows you to implement the principle of flexibility, implying the possibility of the constant adjustments to the earlier decisions or reviewing them at any time according to circumstances. Coordinated plans have divisions (horizontal). They are integrated at different levels in the vertical.

The marketing plans' focus is aimed at the rational use of the enterprise resources to increase production efficiency and maximize profits.

The principle of the leading links and the priority of their implementation means that the company always selects the leading links on the realization of which its business success depends and strives to implement them in the first turn. The choice of the leading units should be based on a thorough analysis of the state of the enterprise affairs, and it is conducted only by the experienced managers. A distinctive feature is the integrated approach, being an attempt to integrate the planning and management processes.

Specific principles of the formation system of marketing planning and their respective tasks include the consistency of the strategic and current planning, ranking of the strategic planning objects, according to their importance, the plan consistent with the parameters of the environment, variations of the plan, the adequacy of the targets, risk estimation.

It should be borne in mind that one of the most important principles of marketing

planning is the creation of a single planning system that provides the link between the strategic and tactical (current) planning, the continuous planning process.

Marketing strategic planning should be considered to be a process of creation and practical implementation of the enterprise activity's programme. Its purpose is to ensure the effective allocation of resources to achieve the target market. Two approaches to the allocation of resources are known in this aspect:

- the implementation function of return on sales (determined by the ratio of costs and results of marketing actions);
- tactical direction of marketing activities in a specific market situation.

The most important section of the enterprise's tactical plan is the production programme or the plan of production and sales of goods, affecting the rhythm of supply. It defines the necessary volume of production during the planning period, corresponding to the nomenclature, the assortment and quality requirements of the sales plan.

The production programme offers the tasks on commissioning of new production capacities, the need for the raw material resources, staffing and transport. This section of the plan is closely linked with the plan of the labour and wages, the plan of production costs, profit and profitability and the financial plan.

To select the rational ways of the enterprise planning, it is necessary to anticipate situations in order to influence them, directing its economic activity at the goal achievement and to take into account the risk of the possible deviations of the planned indicators. But like in any business or technological process, it's always the financial aspect, affecting financial activities that can influence the functioning of the enterprise, which should be examined from the point of view of the system analysis. After the production, the resource supply of the production process, the choice of technologies, the realization of production, taking into account the market conditions, the planning of the financial and economic activities are the interrelated elements of the economic production and social system.

The statistics indicates a favourable growth trend of production in industries. In this regard, it is especially important to develop and to implement a marketing strategy that enables to use the new opportunities and to reduce the uncertainty of the external environment. For Ukrainian enterprises, the main uncertainties are: the competition of foreign countries, the rupture in the production and economic ties, the loss of the existing distribution channels, a significant reduction of raw materials, fuel and energy opportunities, the decrease in production capacity, the slow turnover of the capital, the lack of the available financing schemes and lending; the increasing adverse impact of social and political processes on the society.

To summarize, we can conclude that the main distinctive point of the present time is a constant increase of the uncertainties in the external environment. This, as it has been already mentioned, became the cause of the strategic planning, marketing and management at enterprises.

To take into account all the external factors and to achieve the necessary changes in organization and management, it is possible to formulate the main requirements to the system of the strategic marketing planning:

1. The need for continuous collection, analysis, processing and classification of data which bring changes into all spheres of activity.
2. The creation of a mission, objectives, strategies activities in accordance with the requirements of the external environment.
3. The establishment of the rapid response systems to the detection of changes to

prevent the negative impacts or, on the contrary, the use of the opportunities.

Table 2

Estimation of the Enterprises' Marketing Planning in Dependence on the Level of the External Environment Instability:

Characteristics	The level of the environment instability, points				
	1	2	3	4	5
The popularity of the event	familiar	within extrapolation	intermittent familiar	unexpected and new brand	
The pace of change	slower than the solutions of enterprises	comparable with the reaction of the enterprise		Faster than the reaction of the enterprise	
Predictability	By the analogy with the last year	by extrapolating	predictable	partially predictable	not predictable
Planning methods	budget planning	long-term planning, planning of research and development, strategic marketing planning		strategic marketing planning	
The model of management and marketing planning	reaction (minimizes changes)	active special (no planned strategies, the implementation of gradual changes)	active systematic (strategic decision-making, based on clear projections of future trends)	strategic management (development of strategies, based on the consideration of environmental factors, the construction of the alternative scenarios of future changes)	

As it has been mentioned above, the strategic marketing planning in its development has passed through several stages, varying significantly in their content and form, due to the changes in the above stated conditions of production and sales. Considering the main trends in the development of the strategic planning in the international practice, let's characterize the causes of changes in the methodological approaches to the strategic planning of the enterprise.

It's known that in the beginning of 1980s the interest in the strategic planning has decreased significantly. This occurred due to the fact that the largest American firms, keen on strategic planning, were driven out of the advanced positions of the world market by the more flexible in decision-making entrepreneurs from other countries. In these conditions, in order to improve the competitiveness, the companies began to restructure, reduce costs, improve quality, reduce staff and rearm.

The reasons analysis of the strategic planning's failures at this stage was highlighted in the economic literature in the following way:

1. The imbalance of power and influence among the line managers and planning

departments (plan services almost completely took over the operation strategies).

2. Poorly developed mechanism for the practical implementation of strategic decisions (there was no organizational support).

3. Executives at different levels did not have any proper professionalism in business (hence the reduction in services of the strategic marketing planning).

4. Current activities (crisis situations, etc.) reduced the attention to the implementation of the strategic marketing planning.

5. The importance of the conditions and prerequisites of planning, that ensure the success of the implementation plans, was not taken into account (or is not estimated enough).

6. Did not emphasize the relationship and the place of strategic objectives in the overall system predictions.

7. Poorly defined marketing policy.

8. The level of the decisions' uncertainty was not taken into account during planning;

9. Some managers could not estimate the situation, presenting the critical and limiting factors in making decisions.

10. The staff was psychologically and professionally unprepared.

In the beginning of 1990s an increasing interest in the strategic planning has appeared there. At that time, the managers of the companies, consultants and the teaching staff of business schools considered the strategic problems of the enterprise development to be the priorities of the office and thought they will retain their paramount significance for the next five years.

The strategic planning of marketing at the present stage of the economic development differs significantly from the previously accepted forms. The modern followers of strategic planning abandoned the semi-abstract, the terminized models that differed from the reality.

They propose to transfer the functions of the marketing strategic planning, previously focused on exclusively from the top management to the middle managers, to the leading of the production's specific areas, where a special planning group is formed, usually consisting of the young people with creativity and the experienced staff, seeking to defend the gains, achieved earlier. Moreover, in order to bring the process of marketing planning to the realities of today's market, the professionals in the field of strategic planning are recommended to be involved into the development strategies' formation of major consumers and suppliers.

This approach to the strategic planning of marketing is revolutionary, because beforehand the planning was limited only to the top managers and the most qualified professionals.

The experts-planners of the new generation, particularly A. Slyvots'ky, the founder of the consulting firm, Y. Omlila, the General Manager of Nokia Group, L'yuyis Platt, the Chairman of Hewlett-Packard Company and others stress the need in taking bold decisions in the development strategy of the company not only to adapt to the changes but also to anticipate such ones. In their opinion, the strategic approach has nothing to do with such a narrow task (compared to the basic one), as the increase in the occupied part of the market or the current income.

The penetration of the marketing strategic planning's ideas into the economy of Ukraine was held in 1980, and the development stages of the strategic work in our country differ significantly from those described above. It is necessary to separate four periods in the development of the strategic work: administrative, conditional self-reliance, adaptational and orientational periods for the external marketing strategy.

Our analysis of the strategic planning practice in the economy has allowed establishing

of the main stages that reflect the characteristics of development and characterize the trend of change in the priority to be solved in the task scheduling and shaping of marketing planning at the enterprise.

Conclusions

It is established that the main purpose of marketing planning is to identify the optimal variant of all the possible alternative ones of the enterprise development in future. It is an organizational and economic system, providing the continuous decision-making process.

One of the most important principles of marketing planning is the creation of a single planning system that provides the link between the strategic and tactical (current) planning, the continuous planning process. It is proved that the basis of marketing planning at the enterprise is a system of the marketing strategic planning, which is a set of the organizational and economic methods and techniques, aimed at the problems decision of the enterprises' adaptation to the external environment.

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