

## CURRENT TRENDS IN THE MANAGEMENT OF MARKETING ACTIVITIES OF CONSTRUCTION COMPANIES IN UKRAINE

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### ***Abstract***

*Research and systematization of literary sources proves that at a time of an increased turbulence of the economies of the countries, significant influence of information and globalization, there is need to place the spiritual, intangible aspects of human life, valued by the consumer of the construction market, in the center of attention of the construction company. This is manifested in a more creative and innovative way of problem solving, an individual approach to order fulfillment, and a focus on building mutually beneficial relationships with target and other contact audiences. The aim of the study is to substantiate the current provisions for the management of marketing activities of construction enterprises in Ukraine. The modern marketing tendencies in developed countries are: orientation to holistic marketing that combines internal marketing, socially responsible marketing, integrated marketing and relations marketing; expansion of the marketing complex to ten elements (product, place, price, promotion, public opinion, political power, people, process, physical environment, personal emotions). The authors substantiate the use of marketing strategies for Ukrainian construction enterprises in times of uncertainty and fluctuation of the economy, such as: full provision of the target segment of consumers with necessary construction products, works, services; search for opportunities to increase your marketing budget and get rid of inefficient programs. Therefore, the central place in the management of marketing activity of Ukrainian construction enterprises takes a triad of goals, namely: reflection of the values of society, satisfaction of the needs of buyers and ensuring the profitability of the enterprise. Triad of goals forms the practical value of the paper as strategic targets for the management of Ukrainian construction enterprise.*

***Keywords:*** marketing trends, management of marketing activity, marketing complex, construction enterprise, Ukraine.

**JEL Classification:** M31, M19.

### **Introduction**

Rapid and significant changes in the world, financial crises, terrorist attacks, waste growth, the transition from the mechanical world to the digital, affect economic development, level of unemployment and consumer behavior in general. The changes in society are

associated with new marketing trends, such as globalization, international cooperation, growing demand of creative goods, "internetization", accelerated development of technologies and means of communication.

Construction companies must identify a customer as a person and, moreover, focus on the inner world of man. This requires new approaches to management in general. These and other factors force construction companies to rethink their marketing activities. Therefore, today it is impossible for business entities in construction to achieve success without using of new marketing principles and taking into account modern trends in marketing management.

The dynamics of financial results of construction companies in Ukraine confirms need for reliable scientific and applied support concerning the management of marketing activities. The analysis of official statistics of the State statistics Committee of Ukraine indicates negative combined financial results of construction companies during the years of 2011 – 2017. The dynamics of profitable enterprises is positive, but the growth rate of net profit is not significant, namely: the profit growth in construction for 2011 – 2016 composed to 66.7 %. In respect of unprofitable enterprises, the dynamics is very unfavorable: negative financial results in construction increased by 93.7 % in 2011 – 2016. Positive cumulative financial result was obtained only in 2018.

### **Literature review**

Philip Kotler, John A. Kaslione (2009) argue that the world is entering a new economic stage, which is characterized by "turbulence". National economies are closely interrelated and interdependent. Trade is conducted via the Internet and mobile phones, through which information is instantly transmitted. This new stage provides advantages for the consumer in terms of price reduction, acceleration of production and delivery of goods and services to the right place at the right time. But there is a downside – an event or a change of the situation in one country can spread and affect many other countries and create a large-scale instability with unpredictable results.

The global and national economies are unstable due to the following factors (Alan Greenspan, 2007):

- technological progress and information revolution (through the Internet customers and sellers from around the world are able to find each other, the world IT-revolution has caused informational overload and led to increased productivity of more and more new technologies);

- destructive technologies and innovations (innovations create significant changes on the market, forcing to consider today's dominant technology as an outdated one);

- "rapid growth of others" (the process of redistribution of money and power from the US and Europe, many Asian countries and others lasts for years);

- hypercompetition (it is characterized by intense and rapid actions of the enterprises with the aim of obtaining new benefits);

- state investment funds (in case of instability in the world economy, they act cautiously, investing their financial resources only in the most attractive projects);

- environment (environmental factors begin to influence the work of enterprises and their strategic guidelines);

- improvement of the competence of consumers and partners (obtaining information via the Internet accelerates the awareness of the quality of goods produced and customers' satisfaction, requires more attention to the essence of needs and produce only what is necessary).

Information has increased its importance for economic and social life in Ukraine. The main factors that influenced this trend are: decentralization of economic management and recession from solid centralized public administration; privatization of state property; transition to market relations accompanied by growing competition, including in traditionally

non-profit sectors (education, health, etc.); integration into the world economic community; methods of state regulation of the economy, etc. (Ya. O. Vlasenko S. V. Karpenko, 2011).

O. F. Osnach, V.P. Pylypchuk, L.P. Kovalenko (2011) note that the trends in the development of modern marketing are aimed at:

- development of marketing infrastructure (organization of structures for marketing research, training centers, etc.);
- study of demand based on more detailed market segmentation;
- increase in attracting investments of industrial, trade and service firms in marketing;
- application of “soft” success factors: entrepreneurial culture and marketing culture, environmental protection, customer care;
- in the product policy measures are aimed at protecting rights of consumers, certification of products, quality system, adaptation of goods to international standards;
- in the pricing policy the methods of application of the optimal market price and a variety of discounts are mastered;
- in the marketing policy business activity is being increased, and privileges and restrictions are being eliminated;
- in communications, the quality of advertising is being improved, public relations are being improved.

L. V. Balabanova (2011) names marketing of the third millennium as an educated one and points to the following its characteristic features: consumer orientation, innovation (continuous improvement of products), value significance, awareness of its mission, socio-ethical orientation, corporate ethics, growth of the share of marketing of non-profit structures, spread of information technology, acceleration of globalization of economic processes, changes in the world economy, need to increase the level of moral and social responsibility, emergence of a new sphere of marketing (the emergence of new markets and management tools).

Paul Postma (2002) connects the signs of a "new era of marketing" primarily with changes in the world, informational revolution and human factor. He notes the increase of importance of dialogues with the consumer. Because there are situations when a real behavior does not coincide with an information received from consumers (“people like healthy food, but not while eating”). Besides, the huge size of electronic data networks easily loses the necessary information, because on its way to the consumer, it squeezes through the noise of other informational providers. Therefore, more and more interactive communications on the Internet are spread, which help to be in touch with the client all 24 hours a day and quickly rotate the trading process. Paul Postma characterizes current trends in three aspects:

- 1) marketing management related to information that exists in the marketing database rather than to real market research and General models;
- 2) more use of different media to stimulate trade instead of thematic advertising;
- 3) management of personal relations with the client is opposed to the management of certain target groups.

Deniel Pink (2005) says that technology is the engine of evolution. New thinking is formed in science, art, professional services. Creative people have the greatest influence on public opinion, because creativity reflects humanity, morality and spirituality. They are inclined to cooperate and express their thoughts using the widest variety of social media. Advanced representatives of a new generation recommend using only brands that have a positive impact on the social, economic, environmental surrounding and community life.

According to Abraham Harold Maslow’s hierarchy of needs, a man tends to fulfill himself on the last line of his aspirations. That’s why it is logical that the more developed the country, the more people there are emotional and open to cooperation. Nobelist, the economist Robert William Fogel argued that modern society is increasingly concerned with

the search for spiritual resources, but not for material goods. As a consequence of this trend, people all over the world are now looking not only goods, but also impressions that would concern their spiritual side.

### **Aims**

The aim of the study is to analyze and substantiate current trends in management of marketing activities of construction companies in Ukraine.

To achieve this goal, the following scientific tasks are set and solved:

- to analyze the current global trends in the management of marketing activities of enterprises;
- to determine the priority directions of development of management of marketing activities of construction enterprises of Ukraine.

### **Methods**

To solve the set tasks in the work, such general scientific and special research methods are used: *abstract and logical* – when carrying out theoretical generalizations and formulation of conclusions and proposals for the analysis of modern trends of management of marketing activity of enterprises; *monographic* – in the study of causes of domestic and foreign experience of management of marketing activity of enterprises; *morphological* – in the study of the genesis of formation and development of marketing management in Ukraine and abroad; *generalization* – in the justification of main causes of modern features of management of marketing activity of construction enterprises of Ukraine; *analysis* – in the division of marketing environment into component components and the study of their impact on the marketing activities of construction enterprises of Ukraine; *synthesis* – in the development of practical recommendations for management of marketing activities of construction enterprises of Ukraine.

The informative base of the research consists of the materials of scientific conferences and seminars, scientific publications, statistical data of the State statistics service of Ukraine, analytical information from the Internet, periodicals, the results of personal research of the author.

### **Results**

#### ***Features and tendencies of marketing activity of construction enterprises in Ukraine***

Features of the market activity of a construction company are:

1. The number of branches of construction organizations can be considerable and be far enough apart. In this case, the nature of their work may be seasonal, which leads to the mobilization of production, i.e. the willingness to change the location of the deployment to another in a short time, according to the contract.
2. The speed and quality of the work are influenced by climatic and natural conditions. They can reduce not only the speed of work, but also delay the completion and commissioning of an object. The location of the required natural resources (gravel, sand) is also affected. Remote location costs money and time to transport them.
3. Construction work production technology is extensive and includes various types of work and services. Namely: earthworks, concrete works, finishing works, as well as development of design and improvement of the territory.
4. The organization of production and economic activity of construction enterprises is carried out on a market basis, which provides for profit, and, consequently, excess of income over costs.
5. Factors that have a negative impact on construction are insufficient number of current assets of the enterprise, incorrect planning and, as a consequence, uneven distribution of construction and installation works, low solvency of customers, as well as deficiencies in the system of state control and regulation.

6. Availability of construction products and services of buyers belonging to different consumer segments by demographic, geographical, psychographic and behavioral characteristics in the market. The need to meet their needs objectively leads to a wide range of marketing activities by construction companies in terms of range, price, distribution and communication.

Based on the above, it can be argued that in order to be successful in the market, construction companies need to focus on the most complete satisfaction of the needs of customers, providing them with the means or complex of tools, appropriate services at a high level, which the marketing management system serves for. Consumers require builders to provide a full range of work, which includes the quality of service, the provision of aggregate services, the after-sales service. Thus, forming a line of market behavior on the basis of a strategy built on the basis of adequate information about the market, a construction company is able to operate effectively in the market.

Regarding the modern development of marketing in Ukraine, the construction companies can distinguish such features as:

1 - overestimation of entrepreneurs' views on the business processes of their companies from causes of the crisis in the country, fluctuations in demand and General destabilization of the economy;

2 - ongoing existence of business relations and various manifestations of corruption in a society that prevent transparently conducting of their business without additional assessments and allowances to cover the costs of the shadow economy;

3 - transition of management of the majority of enterprises from the perception of marketing as a service unit of trade and marketing activities on advertising, to the structure with the priority of marketing research and work to strengthen competitive positions (assessment of strengths and weaknesses, threats and prospects of development, the establishment of flexible prices, the formation of new dealer and distribution networks, etc);

4 - the use of non-complete set of tools of modern marketing complex (continuing orientation only on product, place, price and product promotion);

5 - underestimation of the importance of marketing activities to study the motivation of consumer behavior (segmentation, positioning, image creation, branding, working with communities bone are not considered priority elements).

In conditions of instability, construction companies begin to make decisions more cautiously, suspend the development of new projects, reduce the marketing budget for the sake of survival in the nearest future. The false response of construction companies to instability is becoming increasingly dangerous. Such solutions can be: redistribution of funds, which destroys the corporate culture, reducing the cost of the brand and the construction of new facilities, price discounts, reducing staff development costs.

Management of construction company requires the management to identify promptly the source of the crisis, to create an early warning system about changes, to develop key response scenarios (develop range of alternatives), to choose the strategy attitudes towards risk and achieve business results. The main tasks of management in modern conditions are the speed of response, stability (the ability to cope with fluctuations with minimal changes in production), stability (the ability to recover from crisis circumstances). The management should be flexible, closer to customers, should become necessary to form a team spirit.

Ya. O. Vlasenko, S. V. Karpenko emphasize the specificity of consumers of the Ukrainian market and its differences from the mentality of the "Western European". There are five main psychological types of a Ukrainian consumer:

1) he wants to see reliability and good quality in the product, does not accept the Western way of life, wants to live better but n his own way;



2) he actively uses prestigious Western goods, demonstrating their position and financial capabilities;

3) he has a broad outlook on life, actively demanding benefits for himself, but passive in work;

4) he actively tends to work in any field, gives preference to reliable and affordable goods/services, because he has little time to search for them and service;

5) they are poor, poorly adapted to people's life, for them the price and the reputation of goods/services are important.

Possible reaction of clients of the construction market of Ukraine to the instability of the economy may be the following:

- preferences for products and brands at a lower price;
- reduction or postponement of an optional purchase (for example, postponing repairs or replacement of housing by a larger size);
- orientation to the location is closer to the place of work, housing relatives, transport links, schools, children's institutions, food markets or shopping centers, so as not to spend additional funds on movement.

The current situation in the construction market of Ukraine is marked by fluctuations in demand, which emphasizes need to strengthen marketing, including areas of support for public relations, reinforcement the reputation by any means. Modern marketing activity of the construction company involves analysis and improvement of all aspects of its functioning: from the formation of the idea of the project and the primary engineering and architectural developments, to the implementation of construction products among end users. At the stage of creating the design of the construction system, you can already set a task of creating a marketing service which may determine organization's goals and search for possible investors.

The most significant changes in the marketing environment of Ukrainian construction companies are the following:

- transition from a situation where marketers think about consumers to a situation where all employees think about consumers;
- transition from selling to all in a row to a clearly defined target audience;
- transition from organization by product category to organization by customer segments;
- transition from independent production to purchase of works and services from outside;
- transition from working with multiple suppliers of building materials to partnership with a limited number of suppliers;
- transition from giving priority to tangible assets to giving priority to intangible marketing assets (brand, consumer capital, business relations with suppliers, intellectual property, etc);
- transition from brand creation through advertising to brand creation through high performance and integrated marketing communications;
- transition from concentration on profitable transactions to concentration on long-term profitability of the consumer;
- transition from a focus on greater market share in focus for a greater share of the budget of each client;
- transition from locality to work at both global and local levels;
- transition from focusing on revenue to focusing on marketing metrics;
- transition from focusing on shareholder interests to focusing on the interests of partners and stakeholders.

### ***Priority directions of management of marketing activity of construction enterprises in Ukraine***

One of the priorities of construction companies is also attraction of long-term strategic investments, due to the following factors:

- 1) rapid aging of fixed assets;
- 2) high price of fixed assets;
- 3) high price of primary investments (capital construction);
- 4) long term of turnover of investment resources;
- 5) insufficient domestic sources of funding.

Effective management of economic activity in a competitive and unstable market is achieved not only by external sources (market share expansion, increase in the number of customers), but also by improving the internal structure – establishing control, reducing production costs, finding and retaining qualified personnel, improving the quality of service. Outsourcing - the transfer of auxiliary functions to the management of another enterprise - is beginning to occupy a significant place. One of the conditions for successful integration of enterprises is the integration of information technology.

A significant position in construction companies in the modern market is the development of marketing systems for stability. Since the interests, budgets, values of customers are affected by changes in the environment, the priority should be to recognize the key changes in the marketing environment. There appear new forms of distribution, communication, media, advertising. Customers are more informed than ever before, competitive advantages are short-lived, a new product can be quickly copied, the Internet and social networks create sources of information and new sales methods.

No matter what the marketing position of the construction company may be, during fluctuations in demand one needs to pay attention to consumers, because during the crisis, they are able to change their behavior and what they value.

Customer relationship management is becoming increasingly important among the modern marketing technologies of the construction company. This is an approach to finding, attracting and retaining a customer, as well as supporting long-term relationships with him in order to ensure commercial benefits and economic growth of the company. To build a proper system of customer relationship management, it is necessary to identify and control the areas where investments are needed:

- to understand possible usefulness of the consumer and his costs for the purchase of real estate, construction works, services;
- to clearly formulate a “price offer” for customers;
- to manage effectively the range of offered objects (works, services), offering “sets” of complementary products;
- to find a strategic approach to needs of large customers;
- to use effectively the technologies associated with the advertising of the brand, of the promotion suggestions on the construction market;
- to invent effective service systems (because the intensive development of new technologies makes competition tougher);
- to identify in advance possible problems that may arise from customers and to offer the best ways to solve them (installment payments, individual communication plan or repair);
- to receive information about the needs of a client in the process of execution of the order and to use it for the best execution of construction works and the formation of a stable positive reputation;
- to be ahead of the problems of the consumer by teaching him how to use one or the other mechanisms in the purchased property;

- to motivate, to develop and to support the activity of employees in the implementation of construction products, contracts with customers.

For the most successful introduction of customer relationship management systems, it is first necessary to study the customer in detail (to determine the characteristics of the target audience). After the establishment of the system of collection and processing of information, segmentation, simulated the behaviour of each customer group. The next step is a marketing strategy. The construction company can offer products that best meet their requirements. Next, a technological infrastructure of customer relations is created, which allows to collect and process millions of units of information about consumers and provides an opportunity for customers to contact the company through various channels of information transfer.

The modern system of management of marketing activity of the construction enterprise of Ukraine has to provide an opportunity of timely regulation of organizational structure of the construction enterprise, improvement of its internal and external communications, prevention of negative influences of risks and, finally, creation of necessary conditions for optimum functioning of the construction enterprise and construction production. This is achieved by: a comprehensive study of the demand for construction products; an ensuring of high degree of adaptability of construction production to market requirements; an active formation of the progressive structure of consumption of construction products; an involvement in the achievement of marketing goals as employees of the construction organization, developing a creative approach to solving consumer problems; expanding the range and improving the quality of service; delivery of the object "turnkey" and organization of after-sales service; a formation of an integrated management system marketing construction as a process including research, design, construction, service; a compliance with principles of fair competition with the highest consumer demands; a solution of tactical tasks taking into account the strategic objectives of marketing; a consideration of the requirements of distribution channels and commodity circulation (A. G. Efremov, O. M. Tutova, N. E. Lutsenko, 2006) .

One of the most undesirable reactions of construction companies to the crisis is reducing the cost of maintenance and advertising, because it is during periods of fluctuations that customers need to pay as much attention as possible, to fight for every purchase. A more desirable reaction may be reducing the cost of paper and stationery, use cheaper carriers, work with an advertising agency on a payment scheme according to the results instead of standard commissions, replacing direct mailing with e-mail, invest in public relations instead of television advertising, abandoning from not very important product characteristics for customers, holding marketing meetings and conferences in less expensive places.

More often, construction companies respond to the crisis in such a way: reduce the size of real estate, construction work for the same price; reduce the price of additional construction work; leave the same price, but add a gift; use construction materials of poor quality (but this approach is risky, because it can affect the reputation of the enterprise).

According to the authors, the recommended marketing strategy for construction companies in Ukraine during uncertainty and economic fluctuations should include the following:

- full provision of the target segment of consumers with necessary construction products, works, services;
- conduct more research on rapidly changing customer needs and desires;
- search for opportunities to increase the marketing budget;
- competition for the main consumers;
- focus on values;
- rejection of inefficient programs;
- retention of prices for the best brands from discounts;



- strengthening strengths, getting rid of weaknesses.

### **Discussion**

Concerning modern marketing trends, being based on the development of concepts of marketing management by Philip Kotler, a modern approach has become a complete (holistic) marketing. The concept of holistic marketing is based on planning, development and implementation of marketing programs, processes and activities, taking into account their breadth and interdependence. Holistic marketing recognizes that an extended, integrated approach is important in marketing activities.

Holistic marketing in a construction company should contain four components: internal marketing (marketing department, top management, other departments), socially responsible marketing (ethics, ecology, law, society), relationship marketing (consumers, channel, partners), integrated marketing (communications, goods and services, channels). Thus, holistic marketing is an approach in which an attempt is made to recognize and balance the various competencies and complexities of marketing activities.

Modern marketing activity is a complex system of interaction of the construction company with all market participants: manufacturers of construction materials, intermediaries, consumers, competitors, state and public institutions. It also demonstrates the need to apply the concept of holistic marketing.

The development of strong relations of the construction company is impossible without understanding of capabilities and resources of different groups, as well as: needs, goals and aspirations. On the market there are more and more companies that create unique offers, services and works for individual buyers. These companies collect information on previous transactions, demographic and psychographic characteristics, media preferences and distribution channels for each customer. They hope to achieve profitable growth by increasing the cost of each individual consumer through the development of their loyalty.

The opportunity to work with consumers at the individual level at the construction enterprises appeared thanks to the development of computers, Internet and database marketing. But personal marketing is suitable not for every company: investments in data collection, hardware and software can exceed revenues. Deep and multifarious relations with main partners create basis for mutually beneficial cooperation.

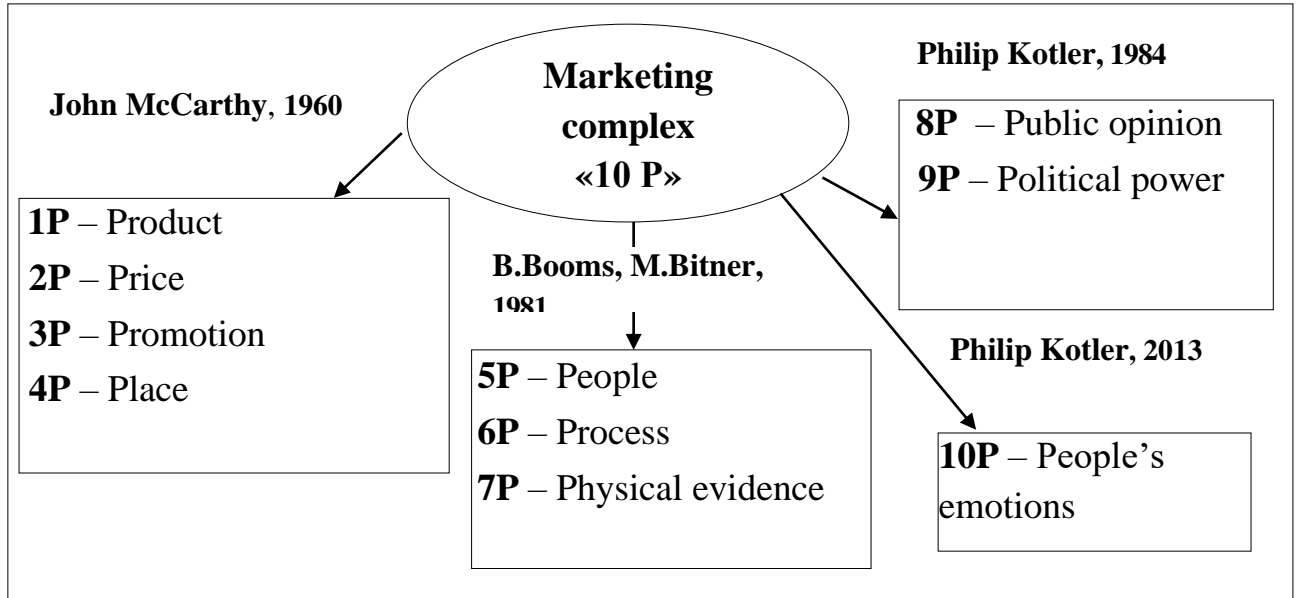
One of the tasks of a Ukrainian construction company is the development of marketing activities and the preparation of an integrated marketing program to create, to promote and to provide value to consumers. The marketing program is the result of many decisions about necessary using of marketing activities so as to increase value. Such events are very diverse. Traditionally, they are described as a marketing group – a set of marketing tools that the company uses to achieve its marketing goals.

Concerning changes in the marketing groups of construction companies. First, the term "marketing group" was voiced by Neil Hopper Borden in 1953 in his presidential address to the members of the American marketing Association. In 1960 the classic set of "four P" of John McCarthy was formed. Further public opinion and political power was added by Philip Kotler in 1984, while B. Booms and M. Bitner in 1981 offered personnel, process and physical environment.

With the advent of the Internet in the early 1990s people began to unite in so-called "networks" of people with the same interests. Simplification of transmission of information strengthened the influence of "folk speech" regarding a particular company and its products. The availability of means of communication, rapid raising of awareness and public opinion affect not only knowledge, but also form mass emotions of people.

Therefore, it would be appropriate for construction companies to add human emotions (people's emotions) to the formed and above-mentioned components of the marketing complex. Because they currently influence the brand management of most companies in the

world. This applies not only to transnational enterprises, but also to the political activities of States and world public organizations. Therefore, the author proposes to consider the modern composition of the marketing complex of the construction company of ten components – picture 1 (O. O. Seleznova, 2014).



**Picture 1. Development of marketing complex**

In order to use these variables, marketers around the world have expanded the concept of marketing and introduced new approaches: emotional marketing, marketing experiences and consumer value of the brand. In today's market, it has become necessary to touch not only the mind but also the soul of customers through the influence on human feelings.

Hence, at the construction enterprises of Ukraine there is such a trend as the transition of marketing to a higher strategic level. That is, to stimulate the promotion of the object or works, the place of the product is occupied by the consumer himself. Positioning and segmentation is now carried out not the product, but the person – the buyer. Modern marketing activity of the construction company is focused on the values, culture and spiritual state of society.

The consumer has such a strong influence on the marketing activities of construction companies that he almost remotely controls it. Hence, the exchange of offers valuable for customers should be one of the key tools for existence of marketing activities in the enterprise. Here comes to aid the formation of communities with surrounding public networks.

Modern marketing requires construction companies to organically integrate values into the corporate culture, which is reflected in the mission, vision of the future state of the company, employees and customers. Profit should not be a goal, but a consequence of the contribution of business entities to the well-being of people.

Since there are situations where marketers greatly exaggerate claims of benefits and separate the characteristics of their products only to push the customer to purchase, the level of trust in advertising in the market environment is steadily declining. Consumers listen to each other, even to rumors, than to advertising texts. To regain the trust of customers, marketers of construction companies must adopt a new horizontal system of trust.

Each person is both a marketer (when persuading another to buy a product) and a buyer (when he buys). Today, shoppers come together in community groups and work together to create personal products and experiences. Therefore, in order to achieve commercial success, the construction company needs to understand that clients appreciate joint creativity, communities of interest and bright characters.

Buyers tend to be tied either to each other (networks of interests), or to some leader, or to a common idea. In case of the emergence and long-term retention of trust in any brand this construction company should refrain from changes in the mission and strategy, because it can lose its supporters, it is necessary to listen to their opinions through co-creation and participation in marketing.

Globalization also has an impact on the marketing of construction enterprises. Despite the fact that people are able to buy real estate in any country, and the movement of goods takes place around the world across borders thanks to affordable transportation and information technology, countries are forced to protect their markets from imported goods and uncontrolled emigration of people. That is, globalization simultaneously provokes nationalism.

Philip Kotler, Hermawan Kartajaya and Iwan Setiawan (2012) highlight the paradoxes of globalization. Among them are, firstly, the spread of democracy around the world and the growth of China's undemocratic superpower. Globalization can make the economy open, but not politics. Secondly, it leads to economic integration, but does not compare the economic development of countries. And thirdly, globalization creates a universal world culture and at the same time strengthens the traditional one.

People all over the world unite to solve social problems, creating organizations such as Peace of Corps, Green Peace, Habitat for Humanity. Hence, the marketing of construction enterprises should also help to compete for the opportunity to demonstrate their efforts to ensure integrity, community, direction. That is, modern construction companies should address the social, economic and environmental problems of society.

Douglas Holt (2004) believes that brands should address the collective concerns and desires of the people, that is, to be cultural. People need responsible brands that feel customer needs and work to make the world a better place.

The impact of marketing goes beyond the private relationship between the company and individuals. This confirms a new definition of marketing given by the American marketing association in 2008: "Marketing is an activity, a set of institutions and processes for dissemination, implementation, exchange of offers, valuable to customers, customers, partners and society as a whole".

Therefore, modern marketing activity of the construction company should take care of the surrounding people and the environment: buyers, employees, business partners, shareholders and act for the interests of society as a whole, by developing high-quality real estate, providing work using relatively natural materials that would not cause injuries to the health of future residents.

Richard Florida (2005) says there are more and more people in society who begin to live as scientists and creative individuals. He cites the results of studies according to which over the past decade investment, production and labor in the creative sector of developed countries have increased significantly. The high index of creativity is evidenced by the development of countries in terms of technological achievements, number of professionals and level of patience. It is the regions with a large number of such people that have shown significant growth.

Creativity also touched Ukraine. More and more consumers of construction products are thinking about design solutions, creative design of housing in accordance with their financial capabilities.

Thus, at present, a buyer of the construction market requires marketing approaches that take into account participation (cooperation with buyers in the development of products and marketing communications), culture (solution of existing problems in society at the moment) and spirituality (creativity, value of intangible aspects of life).

Three factors that lie at the heart of modern marketing work of construction enterprises are: society (welfare), consumers (satisfying their needs); enterprise (profit, efficiency).

Thus, new marketing approach at the Ukrainian construction company should integrate analytical, operational and creative marketing. Analytical marketing involves a collection of client information from various resources for a deeper understanding of each client and an allocation of the most important clients for a company. Operational marketing uses information accumulated during the analytical marketing activities about customers to establish the most effective interaction with consumers, segmentation of real estate or construction works (services), increasing of the income's level. Creative marketing is based on the results of the analytical and operational for the modernization of marketing programs, optimizing marketing investments and further strengthening of the brand.

### **Conclusion**

The modern construction market of Ukraine is characterized by fluctuations in demand and competition, due to the general instability of both national and global economies, rapid technical and technological progress, information revolution. The development of marketing systems for stability is of increasing importance at Ukrainian construction enterprises, which includes constant research of consumer behavior and the introduction of customer relationship management technology.

The modern concept of marketing is characterized by integrity (holistic marketing) and contains four components: internal marketing, socially responsible marketing, relationship marketing, integrated marketing. Planning, development and implementation of marketing programs, processes and activities, taking into account their breadth and interdependence. The composition of the modern marketing group should include ten components: product, place, price, promotion, public opinion, political power, staff, process, physical environment, human emotions. Currently, the latter increasingly affects final decisions of consumers about the purchase of certain goods. Marketing becomes more responsible (cultural) – i.e. has to worry about the people around, and the environment. The company's mission should be based on the highest values of society and stick to the stated positions. There is a tendency to a horizontal marketing structure. The exchange of offers with clients and co-creation are key tools for success in future market activities.

It is believed that the focus of the construction company should not deliver a commercial result, and spiritual, intangible aspects of life that are valued by the consumer. Profit, as a financial component of the purpose of functioning, should be a consequence of the correctly chosen strategy of the business entity. Custom marketing strategies for construction companies in Ukraine during the uncertainty and fluctuations of the economy are: full provision of the target segment of consumers with the necessary construction products, works, services; search for opportunities to increase the marketing budget and the rejection of inefficient programs. The basis of marketing work of construction enterprises in the modern market is based on the values of society, the needs of buyers and the profitability of the enterprise.

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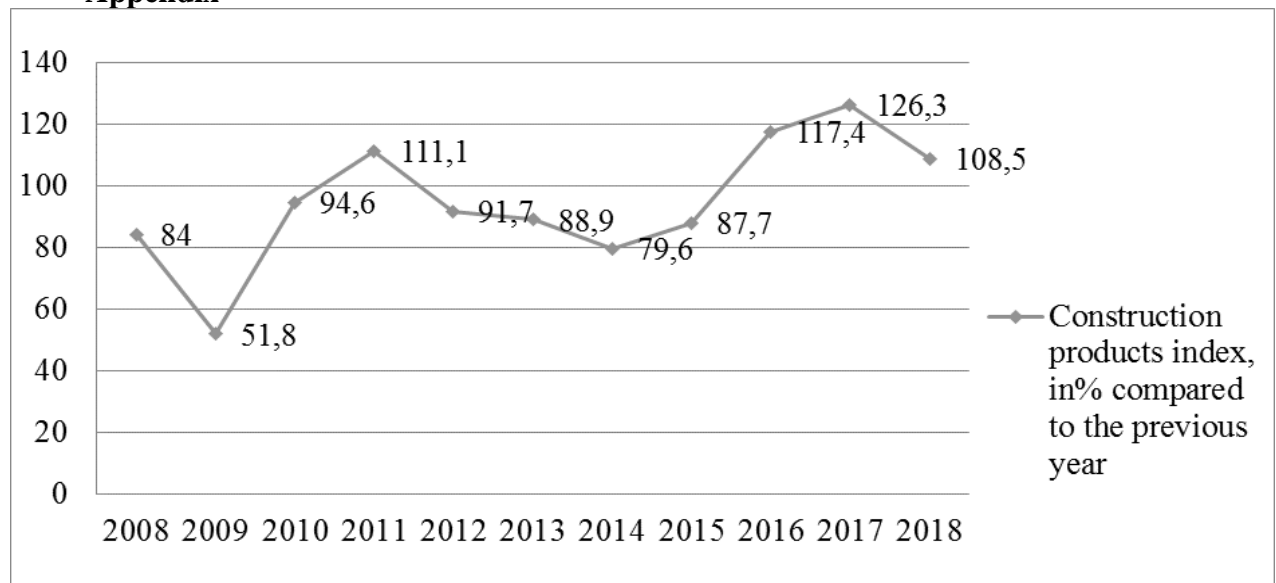
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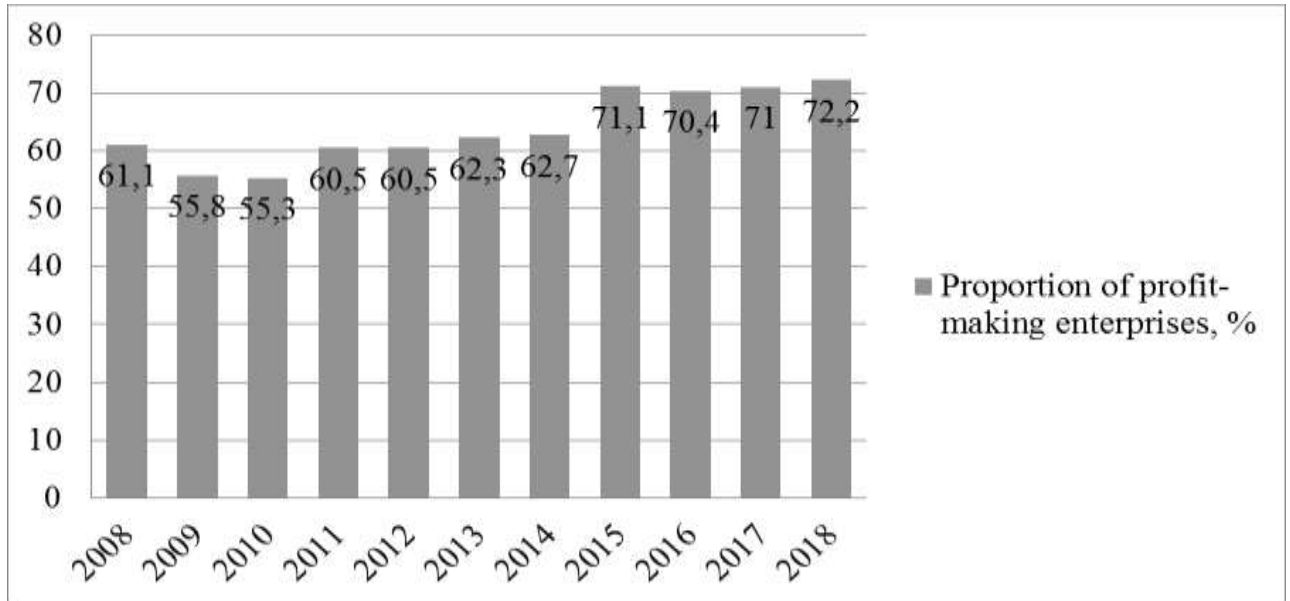
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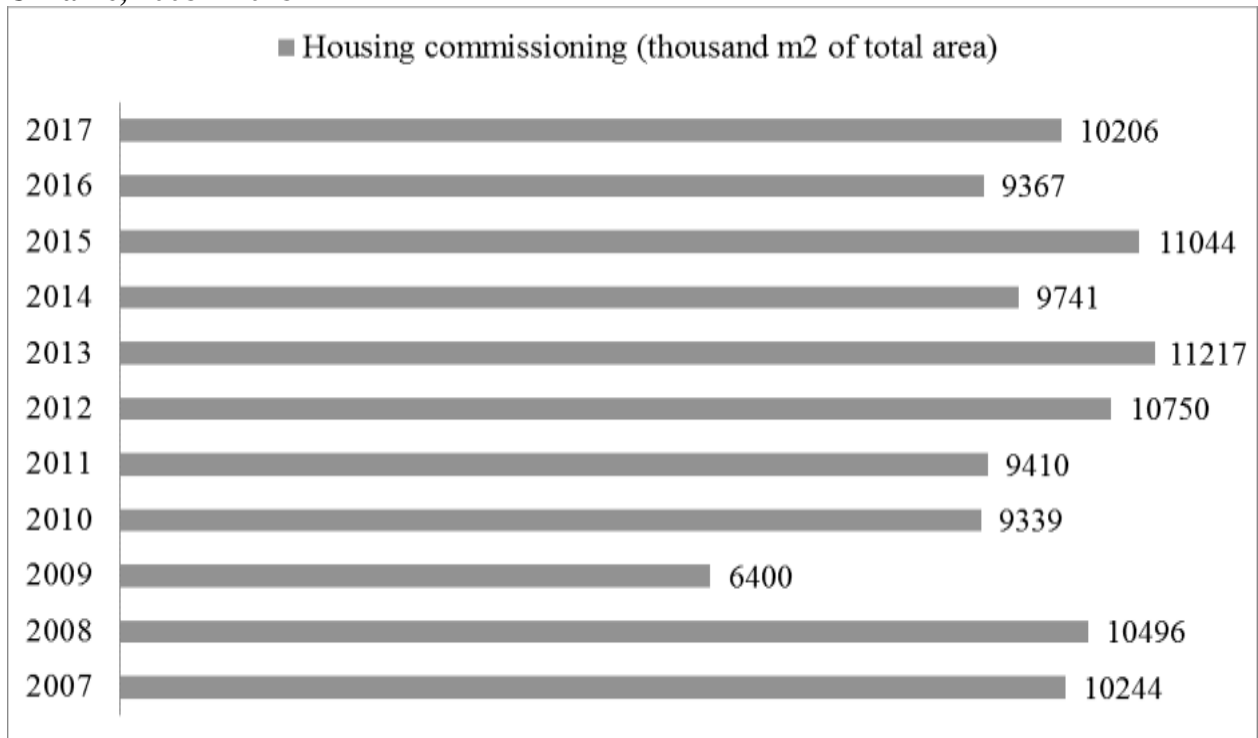
## Appendix



**Picture A – Dynamic of construction product index in Ukraine, 2008 – 2018**



**Picture B – Dynamics of the share of profitable construction enterprises in Ukraine, 2008 – 2018**



**Picture C – Dynamics of the housing commissioning in Ukraine, 2007 – 2017**

1 In 2010-2016, taking into account the total area of housing commissioned in accordance with the procedures (orders of the Ministry of Regional Development of Ukraine dated 24.04.2015 No. 79, dated 19.03.2013 No. 95 and dated 24.06.2011 No. 91) and Temporary order (Cabinet of Ministers of Ukraine resolution of 09.09 .2009 No. 1035).

2 Excluding the temporarily occupied territory of the Autonomous Republic of Crimea and the city of Sevastopol, for 2014-2017 also without part of the area of anti-terrorist operation.