

**INTERACTION OF MARKETING AND LOGISTICS  
IN PRODUCTION AND ECONOMIC ACTIVITIES OF THE ENTERPRISE**

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*The article dwells upon the economic essence of marketing and logistics, points out the interaction between these two concepts in ensuring the promotion of enterprise products on the market by linking the consumer, transport and supplier to a mobile, techno-technological and planned-economically coordinated system with subsequent increase in the efficiency of product sales and profitability of the enterprise as a whole.*

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Talking about the essence of marketing is quite difficult. Foreign and domestic economic literature contains several hundred definitions of this phenomenon. The term "marketing" comes from the English word "market" and refers to activities in the market, market conduct. Marketing as an economic category has a very capacious content, that is why many people confuse its essential and functional characteristics.

In the economic literature, classic and modern definitions of marketing as an economic category can be distinguished. In the classical sense, marketing is defined either as an entrepreneurial activity that controls the promotion of goods and services from a producer to a consumer or a user, or as a social process by which the demand for goods and services is forecasted, expanded and satisfied through their development, promotion and implementation. These definitions are somewhat limited. Their genetic disadvantages consist in exaggerating the role of product distribution and distribution channels, underestimating the interaction of buyers and sellers and the impact on marketing of various social groups (trade unions, shareholders, consumer associations, etc.) [1, p. 18].

The purpose of modern marketing is not to sell a product or service in any way (including cheating a buyer), but to satisfy customer needs. Marketing is aimed at attracting new customers, promising them the highest consumer value, and retaining old customers satisfying their ever-changing needs.

Depending on the scope and object of application, the following types of marketing are distinguished:

- Internal marketing: domestic sales of goods and services;
- Export marketing: additional research of foreign sales markets and sales services for efficient export;
- Import marketing: a special kind of market research to ensure highly efficient procurement;
- Scientific and technical marketing: associated with the implementation and purchase of the results of scientific and technical activities (patents, licenses, etc.);
- Direct investment marketing: studying the conditions for investing abroad and attracting foreign investment;
- International marketing: selling or purchasing a product from a national enterprise in another country;
- Marketing in the field of non-profit activity: creating positive public opinion regarding specific individuals, organizations, places or ideas [2, p. 56].

The main objectives of marketing include:

- research, analysis and assessment of the needs of real and potential consumers of the company's products in the areas of interest to it;
- marketing support for the development of new products and services of the enterprise;
- analysis, assessment and forecasting of the state and development of markets in which the company operates or will operate, including research on the activities of competitors;
- the formation of the assortment policy of the enterprise;
- development of the pricing policy of the enterprise;
- participation in the formation of strategies and tactics of market behaviour of the enterprise, including the development of pricing policies;
- sales of products and services of the enterprise;
- marketing communications;
- service maintenance [3, p. 24].

Marketing begins long before the enterprise has a finished product. Marketing begins when managers identify the needs of people, calculate their intensity and volume, determine the ability of the enterprise to meet them. Managers continue to work on the product throughout its entire life cycle. They are trying to find new consumers and retain existing ones, improving the consumer qualities of the product, and using reports on sales volumes and feedback for this purpose. If the marketing specialist worked hard, i.e. correctly understood the needs of the client, created a product that meets the requirements of customers, set a reasonable price, correctly distributed the product and conducted an advertising campaign, it will be very easy to sell such a product.

In modern conditions of market management, the relationship of the enterprise with most other market entities should be based on the principles of marketing.

The main principles of marketing include the following:

- Scientific and practical research of the market and production and distribution capabilities of the enterprise;
- Market segmentation: the company identifies the most acceptable market segment (a homogeneous group of consumers), in relation to which it will conduct market research and promote its product;
- Flexible response of production and implementation: involves a quick change depending on changing market requirements, the elasticity of supply and demand;
- Innovation: involves improving and updating the product, developing new technologies, introducing new methods of working with consumers, entering new markets, updating advertising, new distribution channels, new methods of distribution of goods;
- Planning: involves the construction of production and distribution programs based on market research and market forecasts [1, p. 184].

Management of enterprise behaviour on the basis of marketing principles should ensure work in a dynamic, continuous mode, providing flexibility and adaptability of the enterprise to turbulent changes in the market environment.

The purpose of enterprise behaviour management based on marketing principles is to identify promising areas of its activities in the market that provide competitive advantages with minimal resources.

Thus, marketing should be considered as economic, social, managerial and technological processes based on the following basic principles:

- Continuous study of the state and dynamics of the market;
- Adaptation to market conditions, taking into account the requirements and capabilities of end users;
- Active market formation in the areas necessary for the enterprise.

Speaking about logistics, it should be noted that modern logistics has a lot of definitions and is interpreted as the science of the rational organization of production, transport and distribution, which comprehensively covers the issues of supplying the enterprise with necessary material and technical resources, organization of production, distribution and sale of finished products from a system perspective. In addition, logistics is seen as a process of planning, organizing and implementing inexpensive and rational delivery of goods from places of production to places of consumption, control of all transport and other operations in the logistics system, information management [3, p. 66].

In the standard of the Republic of Belarus STB 2047-2010 "Logistic activities. Terms and definitions" [4, p. 2] the following definition of logistics is given; "Logistics is a complex of sciences about the ways and methods of managing material, information, financial and other flows with the aim of optimizing commodity distribution through the rational interaction of production, transport, banking, customs, information and other subsystems of the economy."

The tasks of logistics arise from aspects and its functional areas. From here one can imagine the general and particular tasks of logistics, united by one goal - minimizing the total costs of managing material flow as part of the logistics process.

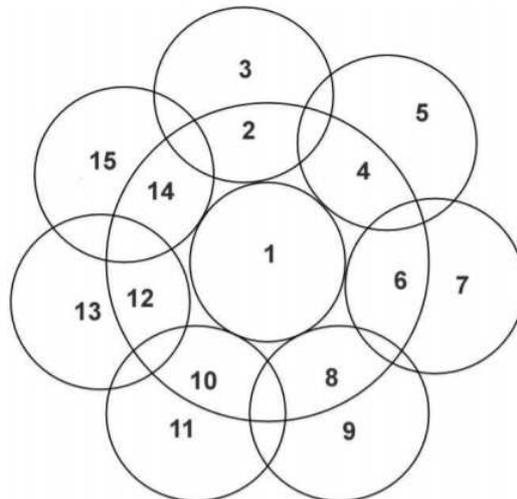
The general tasks of logistics include:

- creation of a material flow, financial and information flow management system;
- control over the movement of material flows;
- development of a flow control strategy;
- forecasting;
- determination of the imbalance between consumption and production capabilities;
- organization of transport;
- organization of after-sales support;
- organization of storage facilities;
- the purchase of raw materials, materials, semi-finished products [5, p. 604].

## Economics

In addition, it is worth mentioning such particular tasks of logistics as the creation of minimum stocks, minimizing the storage time of products in stocks, minimizing transport time, etc.

When implementing the abovementioned tasks, logistics interacts with other functions of the enterprise. The functional environment of logistics is presented in fig. 1.



1 - logistics; 2-15 - logistics environment (sales, supply, transportation, warehousing, procurement of raw materials, material and technical supply planning, production planning, product quality improvement, production planning and management, storage systems, marketing, customer service organization)

Figure 1. – The functional environment of logistics [6, p. 88]

The following requirements are imposed on logistics as a promising direction of enterprise development:

- Link of logistics to corporate strategy;
- Improvement of the organization of movement of material flows;
- Improvement of the information system: admission of the necessary information and its timely technical processing;
  - Effective personnel management;
  - Close relationship with other enterprises participating in the supply chain;
  - Accounting for profits from logistics in the system of financial indicators of the enterprise;
  - Determination of optimal levels of quality of logistics services [5, p. 714].

Therefore, logistics is a system of strategic management of material, financial, labour, information, service and legal flows in the processes of supply (purchase), transportation, storage, production, distribution, service of materials, components and finished products. Therefore, the most important task of logistics is the justification and creation of effective organizational forms and methods for managing all these flows.

Since one of the main functions of logistics is to coordinate supply and demand, this, of course, shows the close interaction of marketing and logistics, which is confirmed by the following principle: "Marketing forms demand, and logistics realizes it."

Thus, logistics reflects the integration of two areas of activity - the demand presented by the market and the proposal put forward by the enterprise.

The logistic approach to functional planning at the enterprise involves the allocation of a logistics service that manages the material flow, starting from the formation of contractual relations with the supplier, and ending with the delivery of finished products to the consumer.

More significant interaction between logistics and marketing is the following main tasks that are solved at an enterprise by the marketing service:

- 1) analysis of the external environment and market research;
- 2) consumer analysis;
- 3) implementation of commodity, pricing, distribution and communication policies.

If the first two tasks can be solved by the marketing service without the participation of the logistics service, then the third task should, of course, be solved by marketing and logistics together. The demand revealed by marketing should be satisfied in a timely manner through fast and accurate delivery (quick response technology), and this quick response to the demand that arises is possible only with an established logistics system. Logistics provides the physical movement of goods in demand to the consumer.

Logistic integration allows you to deliver the required product to the right place at the right time at minimal costs.

Thus, logistics complements and develops marketing, linking the consumer, transport and supplier to a mobile, techno-technological and planned-economically coordinated system. Logistics and marketing are, therefore, two equal concepts with different tools and subjects of interest, but with a single field of functional application and common end goals. In other words, these are two parallel paths leading to the same goal. Their essence is closely intertwined in the process of satisfying the needs of consumers at optimal costs. The marketing functions answer the question "what is needed?", and the logistics functions answer the question "how to do this?". With the optimal simultaneous use of marketing and logistics, not only increases the efficiency of sales of the enterprise, but also the profitability of the enterprise as a whole.

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