

## Economics

This structure of the comprehensive corporate loan portfolio of banks of Belarus is not optimal in terms of its flexibility to the level of risk and return. Proof of this is the statistics on enterprises in the sphere of agriculture: despite minimum profitability level (7.5%), they account 14% of credit resources. However, this fact can be corrected for plurality of concessional lending programs to this sector.

According to the analysis it can be concluded that the structure of the loan portfolio is not optimal: this is evidence of a correlation analysis, as well as calculated criteria of optimality of credit resources structure.

Increasing the credit support to effective enterprises and usage of various economic sanctions, reducing the amount of granted loans to enterprises that do not use borrowed resources effectively can help to improve the flexibility of credit resources of banks.

Management of credit resources flexibility implies an existence of financial tools to influence the borrowers, if they do not comply with the terms of the loan agreement. Possible sanctions should include:

- increase in interest rates in case of overdue loan;
- application of penalties in case of failure to comply with the loan agreement;
- imposition of economic restrictions, directly regulating business activity of the enterprises;
- loans guaranteed by the parent organization, etc.

To reduce the credit risk level it is necessary to exercise lending by money, which secured by goods and services. To do this at the state level it is necessary to create a program of economic development directed to stimulation and increasing the production.

To improve the quality of the loan portfolio it is also necessary to implement following measures:

- formation of the loan portfolio in line with market conditions;
- selection of highly qualified personnel who are able to assess properly the creditworthiness of the borrower and estimate the risks associated with lending;
- development of a system of credit analysis process for continuous monitoring for credit assets status.

Active use of the Credit Bureau database that includes information about all the loans. According to international research results, the active use of information from the credit bureau is able to reduce the number of problem assets in the assets subject to credit risk, by 12.8% [3].

An important activity for banks in the near future is to increase credit support for effective enterprises and use various economic sanctions, reducing the amount of loans issued to entities that do not use borrowed resources rationally. Implementation of programs of reduction the numbers of credits that are associated with a greater risk will reduce the level of credit risk in general, have a positive impact on the quality of the comprehensive corporate loan portfolio of banks of the Republic of Belarus.

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**MARKETING: WHAT IT REALLY IS AND HOW TO DO IT**

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*Real marketing, the kind that is successful, is “fighting in the trenches.” It means the following things (many of them are bad): meeting people who are not particularly nice to you (some of whom you don’t really like) face to face, writing reports, developing contacts, and working in a hospitality suit for 10 hours while you have sore feet and are surrounded by people who are tipsy, loose-tongued, and tight enough to think they are funny. It is very hard work and quite unlike a business where the customer comes to you.*

In addition, there is the integration of advertising and public relations with sales and business plans, sales goals (boggies), and the pressure to keep expenses down while productivity stays up and inventory stays down.

There is probably no other single discipline in an emerging business that is more misunderstood than marketing. In addition, an emerging company has to add to its list of problems that many people don't know the firm, its employees, and its products, plus the company might not have a good track record [1].

Still, there are ways to overcome these disadvantages. One way is to turn marketing into a total system of synergistic business activity designed to plan, price, promote, and distribute products and services to active and potential customers. As such, the emerging company should initiate marketing programs that encompass:

- Market definition
- Product planning
- Market research
- Research and development, plus manufacturing and technical service
- Competitive analysis
- Distribution
- Advertising
- Public relations
- Sales promotion
- Sales

To effectively carry the market plan to fruition, a manager must utilize all of these company activities.

The two cardinal rules for growth companies are:

1. Carve out a niche in the market (and then expand on it).
2. Create a product mix that includes a mixture of products with long- and short-term payouts [2].

Customers' needs and wants change, however, and emerging companies should keep abreast of these changes by employing good market research.

There are various types of marketing research that vary in price and value. Generally, if you are dealing with a reputable, small market research company with esoteric interests, you will get what you pay for. A product-market analysis, for example, might run about \$14,000, depending on the information required and amount of field work. Obviously, a market research going into plants and offices to gather data would be no less expensive than your own people making sales calls. That is one reason why sales reports and relationship management are vital tools in market research.

Every company should develop an understanding of the strengths and weaknesses of the competition – especially the industry leaders.

In addition, the emerging company should perform a self-analysis.

An emerging company should study the nature of the relationship between the number and size distribution of competitors in a market (market structure).

Trade shows can be the source of a great deal of marketing information. This is an opportunity to learn a great deal about your competition, and at the same time, to meet a number of your customers who might be very geographically dispersed. If you are active in your trade associations, the show is an opportunity to meet with associates who may not be either customers or competitors, but who can provide significant information on what is going on within your industry.

The key word in selling is "benefit." There must be some benefit, some reason presented to the buyer, that would induce him or her to purchase. We often think immediately of satisfying the purchaser's need through price, logistical improvements, products advantage, etc.

Don't forget that the person doing the purchasing has needs that might be divergent from those of company's. Sometimes satisfying his or her individual needs or wants can be sale productive. It cannot be overemphasized that in the purchasing agent's mind, the purchasing agent is an important person and has needs and goals too.

The changes that take place often come quickly (as in electronics). Your product or service is probably unique and this fact offers some advantages. However, "The man with something unusual to offer will always play second fiddle to the man who has nothing to offer but the art of offering it!" [3].

To do business on an international scale is many more times complicated. The amount of management time and effort necessary to do business internationally is exponentially greater than the results achieved.

Regardless of what business you are in, there is a possibility that you can be affected positively or negatively by foreign trade. To ignore this fact is to stick your head in the sand.

Obviously there is potential for offshore sales where a company's product has some distinct advantage over anything available in the foreign market. There is an opportunity in many cases for significantly higher profit than what might be available in the domestic market.

Another advantage to foreign trade is the potential of obtaining raw materials or components at a lower cost than available domestically, thus improving the company's competitive position.

You must understand that your product must really be unique to be sold in many countries.

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In addition, if your product requires after-sales support, you aren't going to succeed with one person, part-time or full-time, spending his or her time on international sales. You will require at least a small department. Someone must be at home to answer telexes, letters, and inquiries while the senior international marketing manager is traveling. For the company with limited resources and the potential for international sales, a starting point is to encourage as many of your middle and top management people as possible to make international sales trips. Try your best to make these sales trips enjoyable. Stay in good hotels, eat well, and pick up some of the cost of their recreation on weekends. If the employee's wife or husband enjoys travel, encourage the employee to take the spouse with her or him. A spouse could be a real asset in foreign business entertainment and in developing relationships. Let the individual pick up her (or his) air fare, and the company can handle the taxi and hotel costs. These costs are insignificant for two people over one.

In summary, whether you are marketing your product domestically or internationally, you must first determine what your method or methods of distribution will be. This question can best be answered by defining what your business is and what your market is. Don't forget to consider what after-sales support is required. Many sales are lost due to lack of follow-up – especially with potential customers – and lack of service. A company can ruin its reputation by "selling and forgetting". A company's reputation is also open to damage by its using the wrong dealer or distributor [4].

Don't make long-term commitments initially. Allow yourself the opportunity to make a change if you made a mistake.

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## THE STRATEGY OF FINANCIAL FLOWS FORMATION IN A LOGISTICS SYSTEM

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*The term logistics has long been used to control and optimize all flows, including information and finance. The article discusses the new direction of logistics - logistics of financial flows and outsourcing as a management tool of financial flows in logistics systems, showing the existing in the world practice methodologies for assessing the economic efficiency of handing over the business functions to other organizations and examining their applicability to Belarusian industrial enterprises.*

The term "outsourcing" is derived from the English word combination "outside resource" meaning «the use of external resources." In the international business practice, this term defines a sequence of organizational decisions, the essence of which is to hand over some functions or activities, which was used by the organization to implement itself, to foreign organizations or, as they say, to the "third party" [1 p.257].

In the West, outsourcing is understood as the process of handing internal divisions or units of the company and all related assets over to the organization of the service provider, offering to provide a certain service for a specified time at a set price [2 p.83].

In other words, outsourcing means handing over to a third-party various elements of activities previously carried out within the company [3 p.11].

An important motive to use outsourcing of certain functions is the possibility to reduce the overall costs by converting fixed costs into variable ones. While in its own production constant technical and labor base must be maintained regardless of its load, receiving services forms only variable costs depending on the degree of capacity utilization [2 p.86].

In some cases functions and business processes handing over is accompanied by the movement of the company's assets. Outsourcing can be considered as part of selecting in a separate proceeding, the creation of a subsidiary company, the sale of the assets to an external organization, followed by the acquisition of its services corresponding to implementation of the functions or business processes being handed over. Thus, as a third party, i.e. the outsourcer in the implementation of the outsourcing project can act an independent partner as well as organization associated with the customer strong by economic and legal relations [4 p.64].