

**Krainiuchenko O., Kochmaruck M., Vasilko T.**

*National university of food technology*

**VALIDITY OF THE CHOICE OF INTERNATIONAL MARKETS AS THE  
KEY TO SUCCESSFUL FOREIGN ECONOMIC ACTIVITY OF  
ENTERPRISE**

The basic principles and methods of realization of international marketing are fundamental for foreign economic activity of enterprise, forming its strategy and tactics while choosing output and operation in foreign markets. At the stage of making decisions on access to foreign markets the main task is to substantiate the suitability of this step for enterprise. According to the authors, the success of solving this problem is conditioned by three main factors.

These factors are firstly availability and sufficiency of company's externally economic potential, secondly selection and evaluation of the attractiveness of foreign markets, and thirdly external economic potential matching with market conditions and characteristics for which this potential is estimated.

In international marketing activity it is important to have correct valuation of international marketing activities' potential of the company, which is possible only on the basis of applying scientifically and methodically reasonable approach which is based on the main stages such as identification of the type of activities, for which the potential is estimated; identification of composition and priority for key elements of external economic potential and also assessment of the availability and sufficiency of potential firms in a certain market.

In accordance with strategies of entering the foreign market it's possible to single out three main types of international activities and the its corresponding types of (potential of international activities): export potential, the potential of international cooperation, the potential investment. Export potential reflects the maximum capacity of the enterprise for a given level of technical and technological base to produce competitive products on the national territory and sell it on the world market.

Potential international cooperation characterizes the maximum capacity of the firm for a given level of development of internal resources of the firm to transfer to overseas markets competitive technologies, know-how, licenses, services in collaboration on a contract or contract and investment basis with foreign partners. Investment potential determines the maximum capacity of the firm for a given level of internal resources to expand its international activities through investments in joint ventures, own units in overseas markets.

Outstanding role in forming the the capacity of international activities play a certain internal resources of the firm, called key components of external economic potential. They include staff (their number, qualifications, focus on success), finance (structure of own capital, increase own capital by capitalized profits, access to cheap loans), technical and technological base (quantitative and qualitative composition of equipment, machines, tools, period of their operation, performance, progressive technologies, know-how about a unique product or technology; product quality), methods of management (company image, marketing communications, logistic, experience in marketing). The most common method of assessing external economic potential company for its constituent elements is the method of expert estimates.

In order to evaluate and compare the overseas markets the most widely used method is the method of ranking which provides regulation of foreign markets according to their relevance for specific goods and services. The characteristics which are taken as a basis for ranking, depend on the type of product or service, and also on the specific situation in foreign markets. In this project for determining the attractiveness of foreign markets not only the options of market are used, but also the characteristics of the international marketing environment of a host country and the main strategic marketing variables.

The main market parameters which are taken into account when assessing are: the capacity and level of monopolization of the market, its growth rate, the market perspectives for the next 10 years. Characteristics of international marketing environment of the prospective international markets include economic, political, legal and sociocultural indices of a host country. Strategic marketing variables correspond to the basic elements of the marketing mix: product (degree of demand to

product, reliability, ecological compatibility, attitude of consumers to the product, the frequency of purchases, seasonal prevalence of sales, corresponding packaging requirements of customers, required size of market research in order to adapt the product to market), price (price level for goods of companies), distribution system (flexible system of discounts in the main competitors, attitudes to products of resellers), communication system (level of promotion and informational support of major competitors).

The procedure of comparing external economic potential with conditions and characteristics of the foreign market offer to use a special matrix for making decisions about entering to a foreign market, which is based on two factors: assessment of market attractiveness and level of readiness of the enterprise to foreign economic activity. The field of this matrix vertically forms a factor of market attractiveness, and horizontally - readiness for foreign economic activity. The manifestation of each of these two factors are estimated as very high, high, moderate and low. In this regard, the field of matrix is divided into sixteen squares by lines which pass respectively through the numbers 2; 2.75; 3.5; 4.25 and 5, on condition that manifestation of selected indicators and parameters are estimated from "2" to "5". The situation of the enterprise of international marketing activity is determined on the field of matrix by crossing lines which correspond to generalizing evaluation of the attractiveness factors and readiness to foreign economy activity. The international marketing strategy is formed for each position of the company.

Крайнюченко О.Ф., Кочмарук М.В., Василько Т.Д.

**ОБҐРУНТОВАНІСТЬ ВИБОРУ МІЖНАРОДНОГО РИНКУ ЯК  
ЗАПОРУКА УСПІШНОЇ ЗОВНІШНЬО-ЕКОНОМІЧНОЇ ДІЯЛЬНОСТІ  
ПІДПРИЄМСТВА**

Крайнюченко О.Ф., Кочмарук М.В., Василько Т.Д.

**ОБОСНОВАННОСТЬ ВЫБОРА МЕЖДУНАРОДНОГО РЫНКА КАК  
ЗАЛОГ УСПЕШНОЙ ВНЕШНЕ-ЭКОНОМИЧЕСКОЙ ДЕЯТЕЛЬНОСТИ  
ПРЕДПРИЯТИЯ**

Дата публікації : 2012 р.

**Закордонне видання:** Materiály VIII mezinárodní vědecko - praktická conference «Zprávy vědecké ideje -2012». - Díl 3. Ekonomické vědy. Praha. Publishing House «Education and Science» s.r.o – 88 stran (C.79-81)