

## 1. Introduction.

The results of analysis in the theoretical labours and professional publications testify to the underexploitation fundamentally of the important questions related to the features of planning for the charges on marketing. Typically, the marketing costs of the most Ukrainian companies include fixed amounts of payments to promote products in retail chains. Thus other possible items of expenses are not planned taking into account a possible market situation, or not examined in connection with the insufficient financing. Lack of the attention by enterprises with respect to planning marketing costs necessitates a detailed study of the characteristics their formation in the course in the business

Research of the questions in the field of marketing techniques and tools in the marketing planning are reflected in the works of P. Drucker, D. Berman, R. Kaplan, A. Kearney, R. Fatkhutdinova, S. Garkavenko, O. Golubkova, A. Voychak, L. Balabanova, N. Kudenko, A. Mazaraki, V. Ortynska, A. Pavlenko, A. Starostina and others. The fundamental principles of the justification for decisions about the budget marketing are disclosed in the works of Western scientists, such as T. Ambler (2003) [1] P. Doyle (2007) [2] R. Chaw (2007) and others. The results of this question are displayed in the works of Russian scientists E. Anankina, N. Danilochkina [3] and others. According to the author, not enough attention is paid to cost planning in the marketing budget by Ukrainian scientists.

## 2. Main text.

The effectiveness of the marketing plan on the enterprise depends on how the company is focused at achieving the strategy. Any tactical actions of the companies should be preceded by a clear definition of the objectives. In the modern economic conditions of the most Ukrainian companies are indicated about the insignificant marketing budgets to promote their products and services compared to the international companies.

The marketing budget is a financial plan for marketing, in which the value of costs and revenues from marketing activities at the enterprise are given in itemized form [4].

In practice the term «costs of marketing» is defined as a total costs of the enterprises on a market opportunity analysis, develop to the complex of marketing activities, their implementation and marketing control [4].

The theoretical basis for this concept is connected with the need to separation of lines in the marketing budgets during the planning of the marketing activities. Another aspect, that arises in considering this concept, is the account of marketing costs in the enterprise.

The substantiated marketing budget allows the company to maintain its market share and at the same minimizing additional costs. The task of determining the marketing budget is vital for all companies, in the structure of which there is the marketing department or other service, that performs the marketing functions, regardless of the specific economic activities. The marketing cost is the total cost of the enterprise that are required for the implementation of marketing activities. Conventionally they are divided into three types [4]:

- the organizational costs (the costs for creating the marketing department);
- the costs for strategic marketing;
- the costs for tactical marketing.

The author believes that the most attention in today's should be paid to the costs of tactical marketing, because it the implementation of the tactical action allows to obtain the relevant results in the shortest time, are the least vulnerable from the effects of the uncontrolled factors in the environment and the most predictable.

In [5] are allocated the four items of expenditure on the current marketing activities:

- the costs for traditional advertising: placement of information about the company, its products or services in the media, and the use a variety of advertising media for this purpose;
- the costs for direct marketing: sale through the network of distributors, mail, e-mailing, telemarketing, express delivery, sale by catalog etc.;
- the costs for sales promotion: organization of the showrooms, free distribution, presentation of the new products, decline in prices for the products,

conducting sales, contests, raffles, discount coupons, participation in the fairs and exhibitions, visitation of to the enterprises etc.;

- the cost for market research, competitors and customers.

In practice all expenses related with the promotion of the product and the brand is marketing.

Therefore, companies included in the marketing budget the costs for the following events and activities: marketing research, advertising and PR; promotions (presentations, seminars, conferences, etc.), working with agents, providing tools to support the sales (website, brochures, souvenirs, etc.), direct sales.

In Ukrainian legislation the «marketing» is defined as the research of the target of market segment, which conducts the company in order to increase sales of goods, products, works, services.

«The marketing research» is a set of activities, that provides the collection and analysis of the information in order to examine the market of the sales and identification of the demand factors among consumers to minimize the risk when making strategic decisions in the course of economic activity) [6, art. 14.1.108, 7]. Enterprises can independently carry out such research with professionals, but most often to address these issues they use the help of the specialized organizations that provide marketing services. Some of the marketing services can be provided as an additional services that accompany the process of sale and other contractors – suppliers (contractors) and / or buyers.

The process of marketing also includes:

- the selection of the target markets – definition of demand, market segmentation, selection of the target segments and product positioning in the market;
- develop and justification the complex of marketing activities: strategy, tactics, the content of the commodity pricing policy, selection methods of the distribution and sales promotion;
- application of marketing activities and control over their performance.

The marketing involves a set of measures in the field of trading activity: market situation analysis, research in the field of the pricing, impact on the level of the

demand, establishing communications and more. Usually, the customers of the marketing research is the large producers and wholesalers (distributors).

Most frequently marketing budget is planned based on a goals and objectives, the achievement of which is determined by a number of tactics. Expenses for the realization of these tactics are an integral part of the general budget, to which adds 5-10% reserve. The Western marketers believe that the share of marketing costs in the cost value of the traditional goods in the developed countries is about 25%, of a new products – up to 70%. Considering profitability, defined the basic share of the marketing cost of the traditional products in the range 10-15% of the sales revenue. In the Ukrainian companies the share of the marketing costs accepted at the level of 1% to 5% of the revenue.

Initially is elected by portfolio with the products that moves through the trade-marketing promotion and BTL, and then is determined the percentage of the planned sales revenue, which is given to the trade-marketing budget.

The budgeting process for drawing up a marketing plan can be identified from the scheme proposed by A. T. Kearney (figure 1).

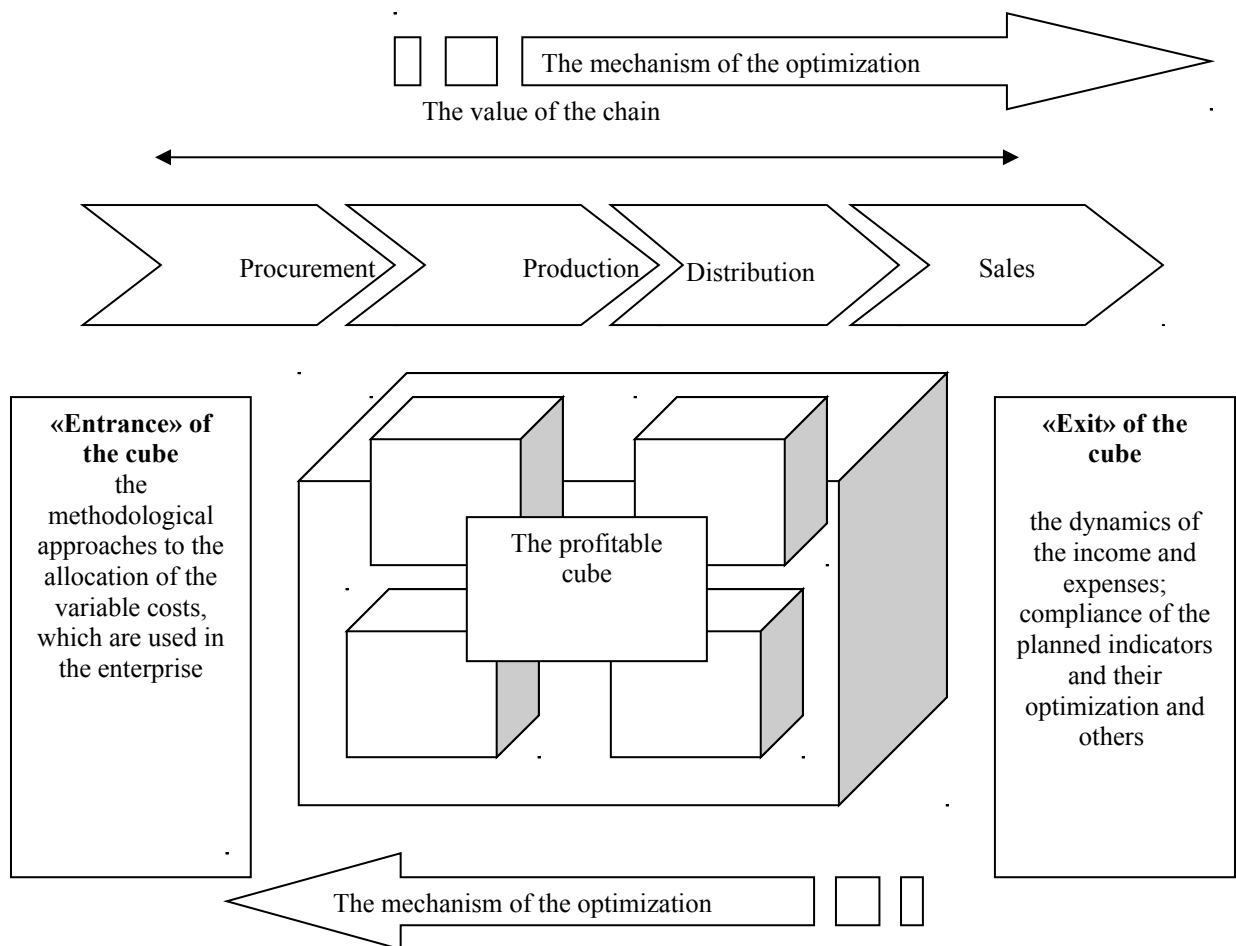


Figure 1. «The profitable cube»

Information source: [8]

T. Kearney examines the «profitable cube» as the cost of the chain of the company's actions when determining of its revenues. According to the author, at research the formation of «cost of the chain» the pressing issue is to its adaptation for enterprises in Ukraine. In this context (figure 2) the author analyzed the «cost of the chain» for a group of groceries on the example of three players of the retail market of Ukraine, namely retailers Novus, Auchan and Metro Cash&Carry. Accepting an intermediate link «production» as a constant, that is unit cost, the «profitable cube» formed by the distribution and sales.

The data are demonstrated the need for an individual approach to determine the «cost of the chain» of the company's actions when planning marketing costs (figure 2). That is, the total expenditure of the enterprise should be considered:

- monthly/quarterly payments that are installed by contractual relationships which are based on the statistical historical data considering the pace of the market development and the share on it (in general and specifically for each counterparty);
- reserved expenses in the event of discrepancy between planned and actual performance.

The results indicate that the «cost of the chain» of the company's actions when planning marketing costs is determined according to specific contractual terms with contractors.

The constant expenses in the amount of the fixed percent from realization volume can be scheduled on the beginning of the period at the basis of statistical data for the previous periods of economic activities, and the reserved costs are depend on the financial opportunities of the enterprise.

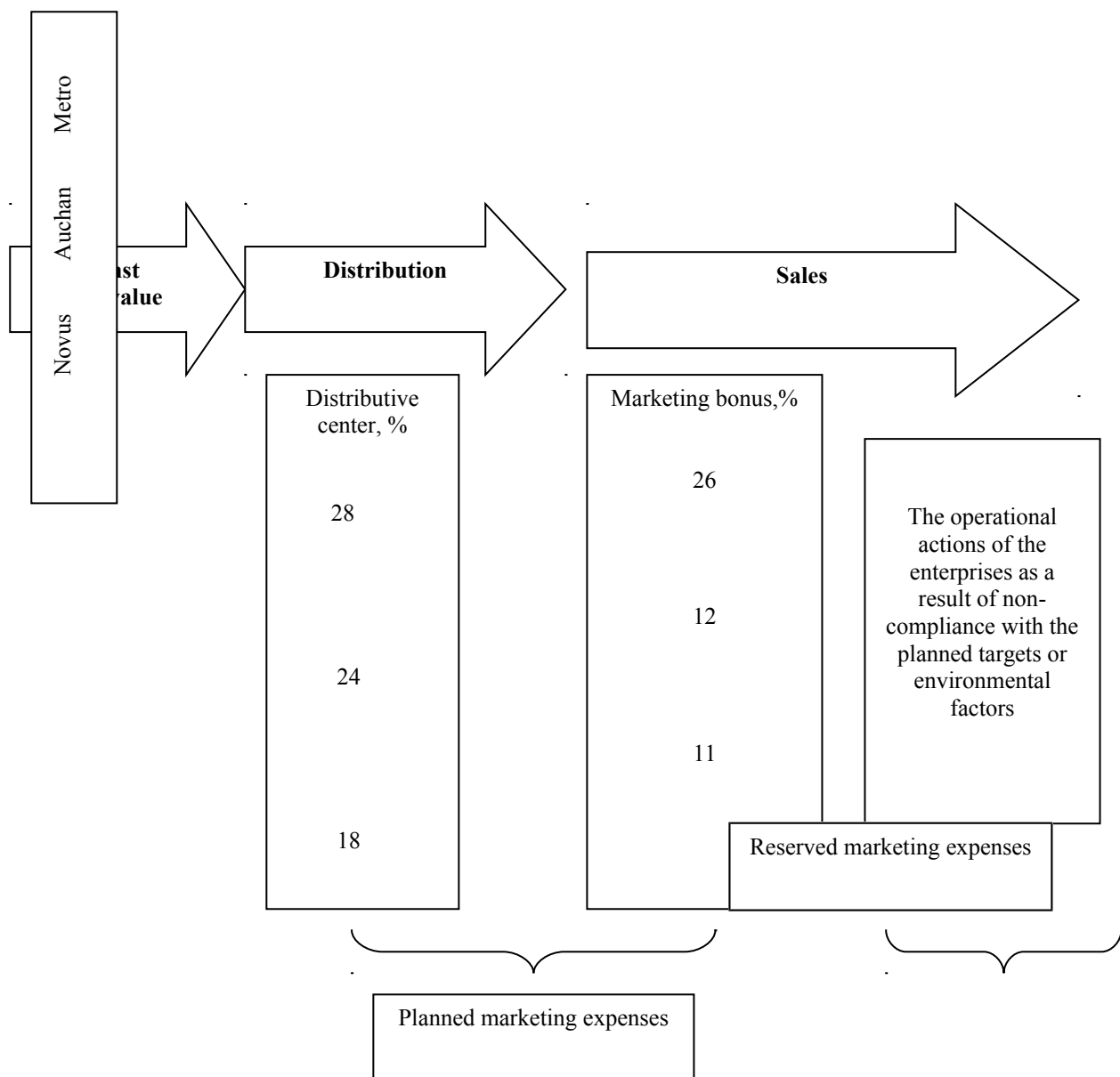


Figure 2. «The profitable cube» of the company's actions when planning marketing costs

Information source: improved by the author with the use of [8]

### 3. Conclusion.

The planning marketing costs in the company in practice is complicated by high probability of economic changes, the consequences of which could significantly affect on their formation. However the grouping of expenditure items according to classification features allows to clearly define the sequence and the need for their inclusion in the marketing budget.

According to the author, in the study of categorical apparatus of the concepts of specified subjects the possibility of their analysis and evaluation on the «output of the cube» is an important, as well as the expediency of scientific developments in the direction of the cost planning to achieve company goals, performance of contractual obligations and reactions on changes in the environment.

The model is improved by the author allows to showcase clearly the main stages of the «cost of the chain» of the company's actions on which depend the performance indicators of its activities.

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**FEATURES OF THE COST PLANNING FOR THE MARKETING**  
**ОСОБЛИВОСТІ ПЛАНУВАННЯ ВИТРАТ НА МАРКЕТИНГ**  
**ОСОБЕННОСТИ ПЛАНИРОВАНИЯ ЗАТРАТ НА МАРКЕТИНГ**

**Key words:** planning of marketing, marketing budget, expense for marketing, trade-marketing.

**Ключові слова:** маркетингове планування, бюджет маркетингу, витрати на маркетинг, трейд-маркетинг.

**Ключевые слова:** маркетинговое планирование, бюджет маркетинга, затраты на маркетинг, трейд-маркетинг.

Abstract

Development of marketing theory can be defined especially by theoretical, so however the considerable revisions of scientists have time after market development, and also not adapted to concrete application. Otherwise, marketing processes have the applied character especially, so as have the opportunity to take into account local and sentinel changes, combine the separate constituents in the general system of marketing.

The category apparatus of the concept «budget of marketing» and «expense for marketing» is considered in the article. The legislative base of Ukraine in determination principal items of charges on the marketing is investigated. «The profitable cube» by A. Kearney was analysed as a determination at the cost of chain of the company's actions, by means of that it is possible to earn profits. It is suggested, that in a context of research theme, will be formed «the profitable cube» at the expense of the distribution and sale, accepting the intermediate of chain «the production» as a constant. The «cost of chain» is analyzed on the example of the representatives of the retail market of Ukraine.

Анотація.

У статті розглянуто категорійний апарат поняття «бюджет маркетингу» та «витрати на маркетинг». Досліджено законодавчу базу України у визначенні основних статей витрат на маркетинг. Проаналізовано «прибутковий куб» А. Т.

Kearney, як визначення вартості ланцюга дій підприємства. Запропоновано, в контексті теми дослідження, формувати «прибутковий куб» за рахунок дистрибуції і продажу, приймаючи проміжну ланку ланцюга «виробництво», як константу. Апробовано «вартість ланцюга» для групи товару бакалея на прикладі роздрібного ринку України.

Анотація.

В статье рассмотрен категоричный аппарат понятия "бюджет маркетинга" и "затраты на маркетинг". Исследована законодательная база Украины в определении основных статей расходов на маркетинг. Проанализирован "прибыльный куб" А. Т. Kearney, как определение стоимости цепи действий предприятия. Предложено, в контексте темы исследования, формировать "прибыльный куб" за счет дистрибуции и продажи, принимая промежуточное звено цепи "производство", как константу. Апробирована "стоимость цепи" для группы товара бакалея на примере розничного рынка Украины.