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Section 10. Strategies for using marketing tools.

Arych M.I., Senior Lecturer

National University of Food Technologies

Kyiv, Ukraine

INSURANCE MARKETING DEVELOPMENT TRENDS AND PECULIARITIES

The current stage in the development of insurance relations in Ukraine is characterized by a rapid increase in the number of insurance companies, and accordingly, by high competition. All this creates the preconditions for insurance companies to seek new approaches to the organization of the company, and in particular to apply marketing technologies in insurance [8]. The marketing concept has had wider acceptance since its emergence as a business philosophy in the 1950s. It is basically the belief that company's attention be shifted from problem of production to problem of marketing, from the product that the firm can make to the product the customers wants the firm to make, from company itself to the market place [3; 5]. The analysis shows that marketing strategies serve as the fundamental underpinning of marketing plans designed to reach marketing objectives. It is important that these objectives have measurable results. The objective of a marketing strategy is to provide a foundation from which a tactical plan is developed. This allows the organization to carry out its mission effectively and efficiently [1].

Furthermore, our results confirmed that insurance market is an important element in the financial system, because it ensures the stable functioning of all branches of the national economy. The insurance market occupies a significant place among financial markets and remains one of the most capitalized [4-7].

The analysis shows that use of marketing is one of the most promising directions for the development of insurance today. The need for insurance services and their satisfaction require substantiation of scientific and practical aspects of development of insurance activity on the basis of mutually beneficial partnership relations [9-10].

Sector of financial services is characterized by an increase in the level of competition, life insurance compelled to compete with pensions funds, banks and other financial institutions in order to defend their market share. Insurance companies marketing strategy determines how an insurer can best achieve its goals and objectives, keep existing customers and attract new ones with minimal costs [1-4; 6].

In the context of this problem should also consider the concept of insurance marketing innovation. Insurance marketing innovations are the use of advanced technologies to improve existing types of insurance products and services or to develop new ones that ultimately generate profits [3; 5-7]. Insurance marketing – a system of interaction between the insurer and the insured, aimed at mutual consideration of interests and needs [10].

The results indicate that insurance marketing acts as a system of tools, through which it is possible to ensure effective coordination of the insurer with the insured, which provides a high economic effect. Furthermore, our results confirmed that despite the significant positive effect of the use of marketing in insurance business, domestic insurance organizations do not yet all form the complex of marketing as a full-fledged component of their economic activity. Secondly, there is still a rather high level of captive and corporate insurance that

does not require insurance marketing [2; 4-8].

The need to introduce innovative mechanisms for the formation of new insurance products arises from the following reasons: first, the development of new segments of the insurance market; and secondly, it is increasing the competitiveness by creating new products for the insurance market [7-10].

The results indicate that marketing strategies serve as the fundamental underpinning of marketing plans designed to reach marketing objectives. It is important that these objectives have measurable results. A good marketing strategy should integrate an organization's marketing goals, policies, and action sequences (tactics) into a cohesive whole. The objective of a marketing strategy is to provide a foundation from which a tactical plan is developed. This allows the organization to carry out its mission effectively and efficiently [1-4; 6; 11].

Furthermore, our results confirmed that factors that do not contribute to the development of marketing of insurance services [10]:

1. Lack of long-term planning and vision of the company's development prospects, orientation of insurers for the short-term needs of the present.
2. High level of development of captive and corporate insurance.
3. Modern insurance marketing is too expensive, and a significant number of insurers does not have investment opportunities for the development of marketing projects.
4. Preponderant orientation of large companies for the insurance of legal entities.
5. To implement the daily life of insurance marketing in the company requires a change in the existing technological process [2-6; 8; 10].

The insurance product must be constructed and presented to the client in such a way that the benefits of its acquisition outweigh the discomfort of paying the insurance premium in the minds of consumers. Therefore, the price of services that an insurer can set should be closely linked to the marketing efforts

to promote this product, as well as the revival and revitalization of its needs [8; 9; 11].

Our results provide some the valuable information about the the role of marketing in insurance. Finally, we also find a positive effect of insurance marketing innovations that improve existing types of insurance products and services. Our study confirms that insurance marketing acts as a system of tools, through which it is possible to ensure effective coordination of the insurer with the insured.

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