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## **Managing the Advertising Activities in the System of Integrated Brand Promotion of an Enterprise**

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**Abstract:**

*The article deals with the peculiarities of management of advertising activity. The basic views on the concept of "advertising" are substantiated. Besides, the authors have developed the promising tendencies of the advertising industry, which are connected with the processes of changes in the enterprise.*

*Accordingly, the dynamics of the volume of the advertising market of Ukraine is shown. It was noted that for the last five years the Ukrainian advertising market has shown the highest result in 2017.*

*It is interesting, that today's conditions create a unique environment, in which an enterprise is interested in the effective management of its activities, and it is able to adapt the promotion policy and advertising activity according to the requirements of the target audience.*

**Keywords:** *Management, Advertising, Advertising management, Integrated promotion, Information technology, Advertising industry, Brand, Communications, Internet space.*

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## 1. Introduction

Companies need to be in a constant search for new models of development and business for effective commercial activity and maintenance of competitive positions in the market in the context of adapting to the new realities of the world economy, which are changing dynamically and rapidly. Companies, which want to develop at a fast dynamic pace, try to change the situation by developing and implementing new programs for the integrated promotion of their own brands.

Due to the fact that advertising activity has a significant impact on the efficiency of business, accordingly there is a need for the formation of qualitative managerial influence taking into account the analysis of market opportunities, target markets prospects, development of the effective set of actions aimed at successful management of advertising campaign. The market for advertising and advertising services itself is definitely changing by focusing on new tendencies. More and more different enterprises are switching to the active business format precisely in online; they introduce different new ways of advertising products and services on the Internet, simultaneously expanding the active PR company to promote its own brands and brands.

## 2. Literature Review

Lately, many scientific researches of famous foreign scientists were devoted to the problems in the organization of effective management of advertising activities. So, O'Guinn *et al.* (2004), Akopova *et al.* (2017a, 2017b) in their works describe in detail the whole complex of communications, advertising strategies that are necessary for the development, development and market introduction of an effective brand of the enterprise, as well peculiarities of its integrated promotion. Jeffins (2001), the advertising and PR specialist, devoted his research to the organization and effective management of the advertising activities of the company in various market segments, and to the definition of modern types of advertising, features of the promotion of goods and services. Besides, such famous scientists and practitioners as Armstrong and Kotler (2011), Alshuler (2010) and others have contributed to the development of advertising.

Kluieva (2015) and Ladik (2011), who investigated advertising support for promoting brands on the Internet, also joined this kind of research. Danaikanich (2009) devoted his work to researching the problems of advertising campaign management in Ukraine. Anorova (2015) studied the innovative and design approach of management of changes in marketing activity at the enterprise. Studies in the field of advertising and communications were highlighted in the works of Starostina (2009), Gerasimchuk (2009), Garkavenko (2008) and other leading scholars.

## 3. Research Methodology

Today during the time of radical economic reforms, the transition of domestic enterprises to the production of new competitive products becomes more and more necessary. The solution of the task of reorientation can be possible only with defining the main directions of its development, possibilities and application in the management of the enterprise of modern information technologies. The peculiarities of the Ukrainian market and of the domestic target audience of consumers do not allow today to use the model of advertising for the integrated promotion of brands of enterprises. Western researchers developed this model in such way, in which it can be effective for the external market (Vdovichena, 2015).

Trading companies that work both online and offline simultaneously must respond instantly to constant changes in consumer behavior by improving its information policy and technological level (Dubovyk and Ortynska, 2015). The effective system management of advertising activities, that will be able to achieve the intended result under such conditions, it is necessary to take into account the peculiarities of Ukrainian realities and of course, we need to adapt the achievements of world advertising practices accordingly.

The aim of the article - on the basis of defining the promising tendencies of the domestic advertising market and studying its dynamics of development - it is necessary to determine the perspective directions of advertising activity management and effective methods of integrated promotion of the brand of the enterprise in different segments of the market adapted to the requirements of the present.

#### **4. Results and discussion**

The aim of the analysis is to identify gaps between the company's estimated goals and its real capabilities. At the same time the formed strategic program of the enterprise remains invariable. If we can see a deviation during the monitoring of activity, then there is a strategic hatch. That means that we immediately need to apply certain actions to equalize the situation, which will allow the enterprise to continue its activities. In general, when conducting a marketing audit in order to improve the management of advertising activities, the strategic method of GAP analysis provides opportunities to determine the level of competitiveness of the enterprise, it helps to select perspective directions of advertising activity management and to allocate proportionally resources (Chychun, 2016).

In today's dynamic development of information technology, more and more attention is paid to improving the effectiveness of the organizational process of advertising in the system of integrated promotion of the brand of the enterprise. Modern specialists and managers are sure that advertising is not only a tool for increasing the volume of sales of goods and informing the target audience about the features of the market offer, but it also a message about price, quality, ways of using the product, its qualitative properties and characteristics, as well as its competitive advantages.

The system approach in the management of advertising activities combines and organizes the processes of functioning and development of elements of the advertising process, planning and implementation of appropriate management decisions. In the management of advertising, both strategic and tactical tools are used, and we need to take into account global tendencies in the changing market situation and current market conditions, as well as the peculiarities of its development (Jeffkins, 2001).

The advertising management is considered as a process of interaction of key players in advertising (Starostina, 2009). The subjects of such advertising management are the direction of enterprises, linear and functional managers, marketing service, employees of advertising units, etc. Potential consumers, resellers, wide public opinion, etc. act as object of management. Therefore, we need to consider the main approaches and definitions of advertising proposed by leading scholars and practitioners (Table 1).

**Table 1:** Statement of the concept of „advertising“

Author	The definition of the concept of "advertising"
The Law of Ukraine No. 270/96-VR (1996)	Advertising – it is information about a person or a product distributed in any form and in any way and which is intended to create or support awareness of the consumer of advertising about such person or product.
V.V. Anorova (2015)	Advertising – it is any paid form not of personal representation and advance of goods, services, ideas through mass media and also use of direct marketing.
G. Armstrong (Armstrong & Kotler, 2011)	Advertising is a marketing tool, sales tool. The product can not be submitted only with the help of advertising in one form or another, advertising is a connecting link between the supplier and the consumer, it is the communication and information mean, it is the environment and messages. That means, that it is a way of informing the buyer about the product and a way to convince him that this product can be purchased. It is a form of communication with the buyer through his information and beliefs.
I.G. Alshuler (2010)	Advertising itself does not sell anything; it does not sell a bad product (more than once) and does not create new products. Advertising should be accompanied by literature, orders, distribution and strategy.
V.G. Gerasimchuk (2009)	Advertising it is a deliberate informative influence, which has indirect nature on the consumer for the promotion of goods and services on the market, and on the other hand, advertising – it is an open message from the firm addressed to its potential buyers, consumers of goods and services, about their quality, advantages, as well as the merits of the service of firms itself.
A.O. Starostina (2009)	Managing advertising activity is considered as a process of interaction between the main participants in advertising activities.
F. Kotler (Armstrong & Kotler, 2011)	Advertising is any form of non-personal presentation and promotion of ideas, goods or services, which is paid by the customer. The mission of the advertisement may be: informing, convincing, reminding or

	reinforcing a purchase decision.
S.S. Garkavenko (2008)	Advertising is one of the components of marketing.
S.T. O'Guinn O'Guinn, Alain & Semenyk, 2004)	Advertising is one of the components of marketing, and also it is a paid, distributed media attempt to convince the audience. At the same time, we can say that the message is considered as advertising if it meets three criteria: the message must be paid; it should be delivered to the audience with mass media; and the main purpose of the message is belief.

The importance of advertising management for the effective promotion of brand promotion can be explored in a variety of ways. Innovations can create new markets, and in existing markets they not only help to consolidate competitive positions, but they also actively promote the brand of the enterprise, by using the integrated approach (Garafonova, 2015; Akhmetshin et al., 2017a). The integrated promotion of the brand it is the use of different tools, including advertising, which are united and adapted to create and maintain awareness, recognition, preferences, and awareness of consumer preferences. Therefore, for a better understanding of advertising as a commercial activity, it is necessary to evaluate its role in promoting the brand of the enterprise, which loses its competitive ability without advertising support. Advertising affects the development and management of the brand in these areas (Ptaschenko, 2015):

Informing and persuasion. Target audience learns about properties of a brand through means of advertising than other instruments of promotion used in the integrated approach:

1. Bringing a new brand to the market or extending an existing one. Brand extension is a process for distributing a brand to a new consumer segment or an identical product category that means the adaptation of the existing brand to new uses.
2. Creation and maintenance of affection (loyalty) of the consumer audience to the chosen trademark.
3. Creating an image and brand importance. In this regard, advertising acts as an instrument that brings together the image of the brand with the social environment of the consumer, forming the feeling of personal communication in the consumer.

In the management of advertising activities, it is also important to take into account the fact that the advertising industry, as a structured communications industry, is constantly transforming. The main processes of change, as well as the structure of the advertising industry depend on the main tendencies (Table 2):

**Table 2: Perspective tendencies in the advertising industry\***

TENDENCIES	CONTENT PECULIARITIES
Personalization	Advertising content becomes more dynamic, so only advertising which is relevant to a particular consumer has a chance to draw attention. The main condition is personalization of advertising messages in accordance with search requests, geolocation, demography with the help of the newest technologies that allow the audience to be identified and the use of gathered information to create ad formats that fit for chosen target audience and meet their interests.
Interactivity	Interactivity – (from eng. interaction – «cooperation») as the principle of organizing a system in which the goal is achieved by exchanging information elements of this system. In other words, it is a free two-way exchange of information in the dialogue mode (feedback of the target consumer in response to an information message).
Evolution of media and communications channels	The rapid development of information technology has affected the change of the usual format of media. New interactive media appeared – it is the type of communication "from many to many", as opposed to the mass media, where "one-to-many" communication is based on Internet-based technologies ("Web-Based"), and the content is formed directly by the user ("User Generated Content"). These include: social networks: blogs; portals of public organizations; Internet radio services and more.
Measurement	New patterns of attribution and data flow provide an opportunity to get a clear understanding of the source of the conversion and determine the performance of each communication channel.
Integration	A useful effect can bring only the use of the integrated approach, the combination of different media channels and the creation of effective promotional formats that work on different devices. Such an approach requires a comprehensive strategy considering the target audience and effective communication between all advertising channels that complement each other and are coordinated in time and space.
Automation	The effective work of the advertising industry depends on the high-quality automated management of modern technologies that control data collection, integration of media channels and measurement of results of efficiency of the advertising company.

\*Notes: Developed by authors on the basis of the source Tracklam (2017).

According to the All-Ukrainian public organization "All-Ukrainian Advertising Coalition", whose goal is to promote the development of the advertising industry in Ukraine, the reports are published annually on the estimation of the volume of the advertising market, its structure, tendencies and prospects. On the basis of the results of their research, we will analyze the dynamics of the development of the Ukrainian advertising market during 2013-2017 and we will determine the prospects for the future (Vdovichen and Kruhlyanko, 2015; Akhmetshin *et al.*, 2017b).

Starting from 2014, according to the recommendations of the World Advertising Research Center (WARC), only the volume of media advertising will be understood

under the volumes of the Ukrainian advertising market, without taking into account the market of marketing services, PR, advertising production, etc. (Table 3).

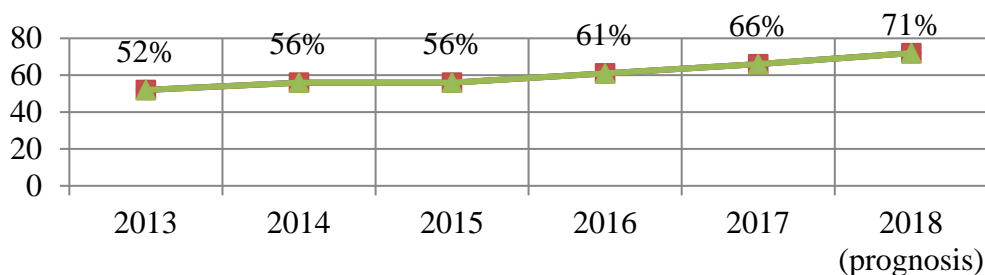
**Table 3:** Dynamics of the development of volume of the advertising market of Ukraine during 2013-2015\*

Structural units of the advertising market	Results											
	2013		2014		2015		2016		2017		2018 forecast	
	mln. UAH/ year	Deviation 2013/2012 (%)	mln. UAH/ year	Deviation 2014/2013 (%)	mln. UAH/ year	Deviation 2015/2014 (%)	mln. UAH/ year	Deviation 2016/2015 (%)	mln. UAH/ year	Deviation 2017/2016 (%)	mln. UAH/ year	Deviation 2018/2017 (%)
TV commercial	4940	13	3930	-20	4164	16	5676	36	7329	29	9259	26
Media	2497	-3,4	1670	-33	1320	25	1150	-13	1355	18	1597	18
Radio	340	9	290	-15	304	9	400	31	480	20	578	20
Outdoor Advertising (UN Media - Out Of Home Media)	1500	5	1030	-31	952	6	1240	30	2691	29	3330	24
Advertising in cinemas	40	14	30	-25	24	10	35	46	40	15	46	15
Internet advertising (Digital)	2050	35	2115	3	2355	17	3140	33	4344	38	5650	30
Total Media market	11367	11	9065	-20	9119	12	11641	27	16240	40	20460	26

\*Notes: Developed by authors on the basis of the source Ukrainian advertising coalition

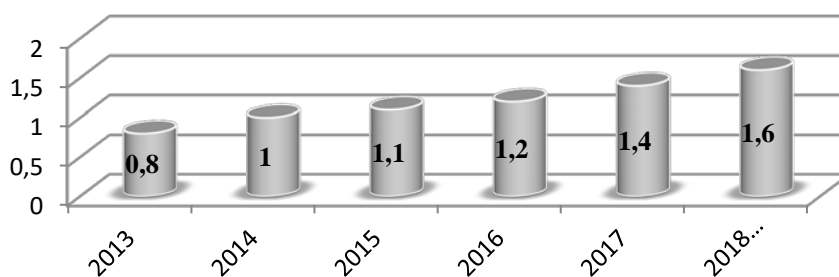
The multimedia activity of the Internet provides long-lasting two-way relations, it stimulates high activity of the real and potential consumer and it also creates conditions for quick response on changes of consumer preferences. Indicators of change of % of compellations to the Internet (Fig. 1) can be indicators of this activity.

**Figure 1.** Dynamics of compellations to the Internet during 2013-2018 (in %). Developed by authors on the basis of the source Online Consumer Barometer withGoogle.



As we can see from this figure, during 2013-2017 years the indicators have grown. This fact testifies about the growing popularity of the Internet itself and therefore, it means the expansion of the opportunities connected with the integrated promotion of brands through the Internet. Besides, the average number of the connected to the Internet multimedia communications devices (smartphone, pads, computer) in Ukraine per person can be a proof of such popularity (Figure 2).

**Figure 2.** The average number of devices connected to the Internet network per person during 2013-2018 (units). Developed by authors on the basis of the source Online Consumer Barometer with Google.



The opportunities which Internet provides to all of us are not limited only by communication functions, but they also provide the opportunity for wide positioning and promotion of brands of enterprises. The Internet is a global, virtual e-market, which does not have any territorial or temporal restrictions, it allows the interactive purchase of goods (services), while expanding the capabilities of enterprises themselves in promoting goods (services), and it opens different new strategic opportunities. Interactive information exchange (including advertising character) in the global network allows us to find new prospects and opportunities for trademark and brand owners, and multimedia activity of the Internet provides long-term bilateral relations, it stimulates a high activity of the real and potential consumer and it creates conditions for rapid reaction in changes of consumer preferences (Vdovichena, 2017b).



The concept of information technology appeared with the emergence of the information society, the basis of social dynamics in which is not traditional material, and information resources, such as knowledge, science, organizational factors, intellectual level, initiative, creativity, etc. Information technology – it is a purposeful organized set of information processes with the use of means of computer technology, which provide high speed data processing, quick information search, dispersion of data, access to various information sources, regardless of their location (Vdovichen and Kruhlyanko, 2015).

The problem, which can be solved by the development and active management of the Web site, can be divided into three groups: fashion and advertising; commercial; organizational development: motivation of employees, formation of a team (Tracklam, 2017). It should be noted that all these problems are solved by the enterprises with use of many other means: the distribution of print advertising, the preparation of image publications, participation in exhibitions, the publication of newspapers and magazines.

But all the mentioned advantages of Web-sites can be fully realized only as a result of a detailed, well-grounded approach to their creation. This approach will allow to specificate and expand the capabilities of the Internet resource for the integrated promotion of the brand of the enterprise and it will ensure:

- informing consumer audience about the brand of the enterprise, its service and condition, contacts and requisites. Publication of such information on the Internet resource: - it is a unique opportunity to quickly make it public and common, no other kind of traditional advertising can compete with it in terms of efficiency;
- customer acquisition and interaction with customers. Website is a powerful tool for interacting with potential clients. It is the possibility of feedback, receiving reviews about services or goods of the enterprise. Besides, it gives possibilities of simultaneous use of e-mail mailing for surveys, and on the basis of Google Analytics data and Google Trends or Google KeyWords Services it allows to adjust its own business strategy;
- creating the brand image. Nowadays, in a modern market conditions it is difficult to imagine the effective formation of the image of a successful brand of the enterprise without a corporate site. Therefore, the development of the informative site should be carried out by a professional agency, it should be technically and visually designed in accordance with the general concept of integrated brand promotion;
- organization of the commercial process. Internet site (Internet-shop) can significantly increase the turnover and bring profit.

The mentioned list of opportunities is rather short. We should also include to this list the organization of effective interaction inside the enterprise between various structural units and publishing information for partners, the possibility of increasing customer service and much more. We can also say that along with other countries in

the region, the Ukrainian e-commerce and Internet commerce market has a good potential for growth, because the number of online customers in Ukraine in 2017 exceeded the mark of 3.5 million people. And the increase of 1 million customers was observed during the last three years (Vdovichena, 2017a).

Professionals classify the main types of brands of the company mainly depending on their location, namely (Nebylytsia and Timonin, 2014):

- Inside Brand. The brand of the company, which is made exclusively on the Internet. This type also provides offline support through traditional tools of advertising.
- Outside Brand. The Internet serves as an auxiliary tool in the creation and promotion of this brand.

The integrated promotion in the global network through the site has its own stages and peculiarities, regardless of the type of brand (Figure 3):

## 5. Conclusions

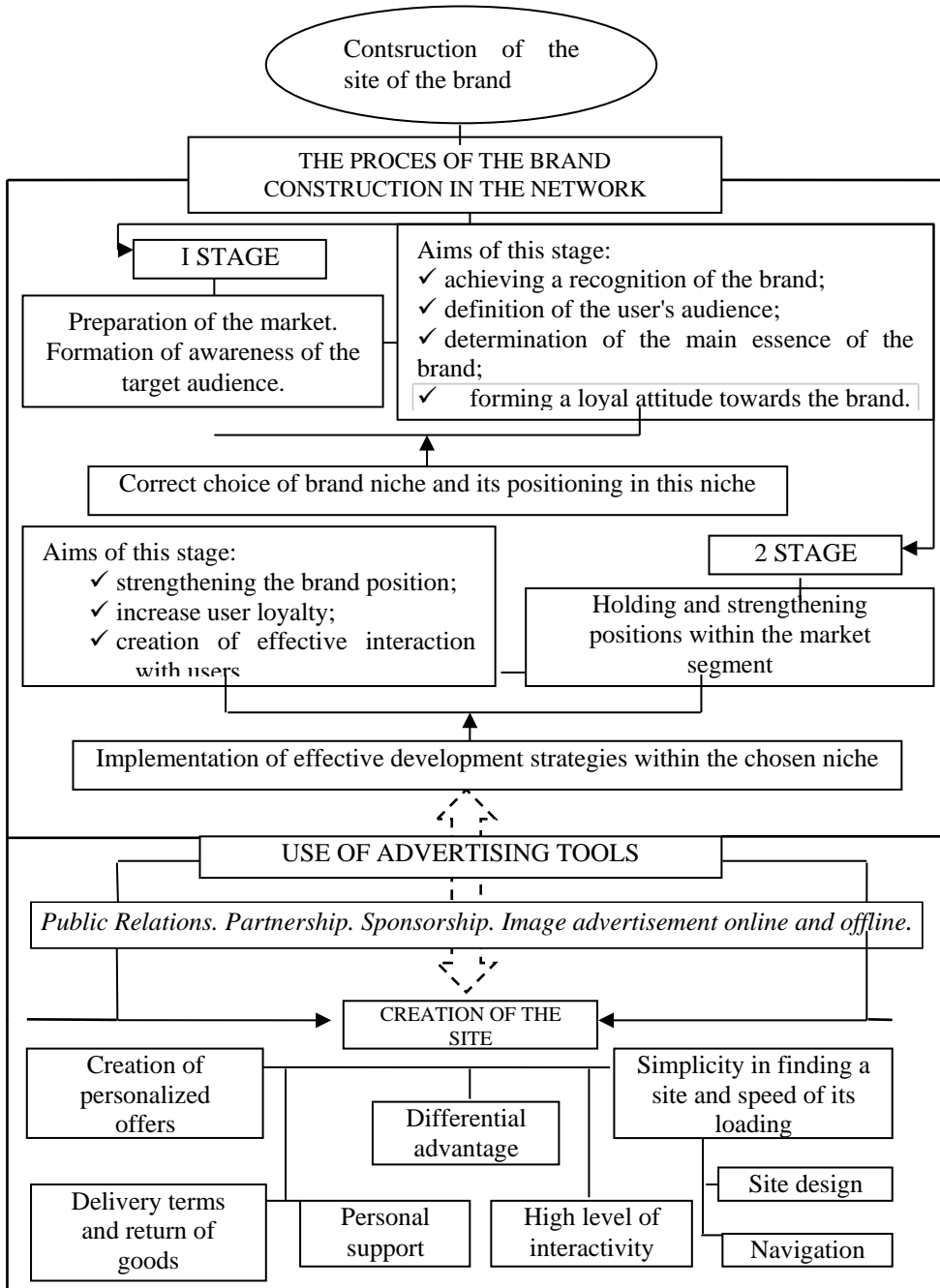
We have studied this direction of research, taking into account the modern state of advertising communications and we have determined various alternatives for the integrated brand promotion, either existing ones or potential future market segments since researchers describe each element of the problem separately.

Therefore, we have supplemented our list of opportunities for creating Web-sites, which has allowed to expand and concretize possibilities of the Internet resource for the complex promotion of a brand of the enterprise. In turn, an algorithm for constructing an effective brand was formed. From our point of view, this will provide the opportunity to promote the brand by using the principle of synergy interaction in the network from the creation of a multifunctional, communications-oriented site of the enterprise.

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**Figure 3:** The algorithm for constructing an effective brand and its integrated promotion on the network by creating an effective site for the company. Developed by authors.



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