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### **MARKETING IN PUBLIC ADMINISTRATION OF A REGION: THE CASE OF EFFECTIVENESS**

In the basis of the public government system there are the principles of network organization among the advantages of which we distinguish: authorities credit increase; lessening of transaction expenses; more rational use of common resources; readiness to implement innovations; mutual benefit for all parts.

Public management has brought to light a new term “governance” – as a new way of administration in a network society, where the main idea is: “network is not an influence, but a participation”. The vivid examples of the most progressive countries when we speak about the reforms in public management are Great Britain (the reform “Big Society”), France, the USA, Norway. So EU creation is a direct consequence of “governance” realization.

In its turn, modern demands to the mechanisms of public management request the search of new effective methods and approaches. In this aspect, the methods transfers are of high importance, that have proven themselves well in other branches and spheres, in particular in the economic one. In this paper we distinguish the marketing instruments and their transfer into the regional development public administration. The possibilities of such transfer were mentioned before in the theoretical works of F. Kotler [1].

Undoubtedly, modern decentralization technologies in Ukraine increase the role of local authorities, in particular when we talk about the territories development. Moreover, the prominent transfer from government to governance is described by Mayntz [2, 3]. On this stage the implementation of the key marketing principles is rather attractive and prospective, though difficult process. The main complicating factors of the mentioned above are described very well in many works written by F. Kotler. Here we may distinguish some of them:

- monopoly of services provided by local authorities;
- unprofitability of the providing services system by the authority agencies;
- imposing, obligatory services
- different from competitive pricing mechanism;
- ignoring fluctuations in demand for services rendered;
- lack of competitive control over the quality of services provided; etc.

Though, to our mind, the most principle complication of the broad marketing implementation into the public administration of a region is the absence of adequate assessment methods of its effectiveness. On the other hand, the organization of this or that mechanisms of marketing administration requires budget allocations. It is obvious that without the assessment of the influence consequences of these marketing instruments on the object under administration it is rather difficult to foresee the relevant articles in the annual budgets of the regions. Assuredly we speak both about short-term and long-term benefits of implementing marketing approaches [4].

Within the carried investigation we offer to consider the result of marketing instruments implementation in the frame of well-known 4P marketing-mix: Product (marked as P1); Price (P2); Promotion (P3); Place (P4).

It is obvious, that the share of the funds collected in taxes and local fees (T) will be divided onto constituents 4P (in this publication only we use the author's denotation "T+4P"):

$$T = P_1 - P_2 + P_3 + P_4. \quad (1)$$

It is clear that in the conditions of such system economic effectiveness functioning it should be reasonable to provide the part Price exclusively through taxes and local fees (Tax). Though in the system of public management, we cannot have such case, as the example of social marketing availability or public opinion campaigns organization (an example of tobacco smoking control), where Price is equal to zero.

We should mention that in the given investigation Price is imagined as an appropriate payment, monetary equivalent provided by the object (population) for the received service. The mentioned above somewhat contradicts F. Kotler's position, in which Price is the criterion of the population loyalty as to the imposing service.

As to Equality 1, in the providing system of Price of the received service there are involved both its receivers ( $j$ ) and other taxpayers ( $i$ ):

$$\sum_i T_i = \sum_j (P_{1j} - P_{2j} + P_{3j} + P_{4j}). \quad (2)$$

When taking into account all types of marketing services ( $k$ ) we get the following 4P representation:

$$\sum_i T_i = \sum_k \sum_j (P_{1j} - P_{2j} + P_{3j} + P_{4j})_k. \quad (3)$$

Obviously, the criterion of such dependency effectiveness is the condition  $T \rightarrow \min$ , as to the imposed restriction to the rest P (as to the Product quality). This condition is clear, because the taxpayer (T) and the subjects of the budget process, as the shares in the proceeds, are interested in the effectiveness of their spending on the realization of this or that marketing instrument.

In its turn, an important distinction of the system T+4P in public administration is the direct dependence of prices and tax revenues from Promotion and Place:  $T = f(P_3; P_4)$  and  $P_2 = f(P_3; P_4)$ . In fact, the promotion of a product foresees the influence on the subject loyalty as to the investing into socially important sectors of the regional life, and the object as to the receiving the service or observance of certain norms of behavior.

Generalizing the above mentioned we offer the following scheme aimed at marketing approaches realization optimality in public administration:

$$\left\{ \begin{array}{l} \sum_i T_i = \sum_k \sum_j (P_{1j} - P_{2j} + P_{3j} + P_{4j})_k \rightarrow \min \\ P_1 = const \\ T = f(P_3; P_4) \\ P_2 = f(P_3; P_4) \end{array} \right. \quad (4)$$

The main idea when realizing scheme (4) consists in the following stages:

- 1) stating the marketing administration aim (P1), fixing their quality demands;
- 2) search of optimal T and P2;
- 3) defining P3 and P4 taking into consideration the appropriate time horizon when realizing the marketing administration mechanism and influence on T and P2.

The third stage totally corresponds to the public administration approaches and is an objective criterion in providing the effectiveness of implemented marketing methods, their rational expediency within the region.

The practical implementation (4) can be the place for analysis for any administrative service or realization of administrative influence on social behavior of citizens. To lead calculations and further optimization there may be used different known methods of digital formalization P1 (the cost of the services provided, coverage of citizens, etc.). Not of less importance within

the limits of “governance” there is providing of the reproducibility of calculations not only by the subject but also by any object of public administration.

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### **ПРОДОВОЛЬЧА БЕЗПЕКА ЯК ВЕКТОР РЕАЛІЗАЦІЇ ДЕРЖАВНОЇ ПОЛІТИКИ НА ЗЕРНОВОМУ РИНКУ УКРАЇНИ**

Проблема продовольчої безпеки стала предметом активного розгляду світовим співтовариством після зернової кризи 1972/73 МР. Світові тенденції такі, що стратегічне значення продовольства порівнюється з фінансовими ресурсами та з енергетичною безпекою. У цьому зв'язку питання продовольчої безпеки знаходяться в центрі уваги науковців.

Продовольчу безпеку визначають за певними індикаторами, які є критичними граничними показниками. Основні індикатори оцінки продовольчої безпеки на світовому рівні визначені FAO [1]:

1. відношення світових запасів зерна до світового споживання (запаси зерна повинні відповідати 60 дням споживання);
2. відношення пропозиції експорту зерна до його потреби;
3. перехідні запаси продовольчого і фуражного зерна в країнах-експортерах в процентах до внутрішнього споживання;
4. середньодушове виробництво зерна (оптимальний - 1000 кг / чол; граничний рівень - 600 кг / чол).