

MARKETING TOOLS IN ENSURING EFFECTIVE PRODUCT PROMOTION ON THE UKRAINIAN AND GLOBAL CHOCOLATE MARKETS

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The study aims to improve marketing tools for effective product promotion in the Ukrainian and global chocolate markets. Outlined the theoretical and methodological foundations of strategic marketing promotion as a significant marketing tool in ensuring effective product promotion. Analyzed share of manufacturers in 2022 chocolate. Carry out to focus on stimulating distributors through such measures and tools. Analyzed peculiarity of marketing pricing for foreign trade in the Millennium company, features of the target audience: regular and irregular consumers. Analyzed the financial and economic activities of MALBY FOODS LLC. The total consumption of chocolate in Ukraine has decreased due to the outflow of the population abroad. Markets are changing, and logistics and supply chains are disrupted. However, market share and sales of Millennium chocolate increased. The peculiarity of marketing pricing for foreign trade in the Millennium company, taking into account the specifics of the international competitive environment, is based on the fact that there are two brands in the portfolio of the chocolate factory. The company's product promotion campaigns are effective, as evidenced by the growth of its financial results.

Keywords: *marketing tool, product promotion, consumption, chocolate, stimulating distributors, total consumption.*

General statement of the problem and connection with important scientific or practical tasks. In the context of the rapid spread of information and communication innovations, it is advisable to pay research attention to the complex issues of product promotion in the chocolate market of Ukraine, the EU, and the world. In addition, we note a consistently high demand for confectionery products. Experts emphasize that in recent years in Ukraine, including during the large-scale military invasion of the hostile aggressive race, the chocolate market has been characterized by high competition and significant requirements for the quality of distributors' services. Today, in the context of the crisis due to the war of the aggressive race with Ukraine and, to some extent, increased competition, it is advisable

to analyze the theoretical and methodological foundations of marketing communications in the company's distribution channels within the concept of sustainable development.

Analysis of the recent research and publications. The scientific works of such domestic and foreign marketing scientists as: O. V. Zozulov [5], A. V. Vojchak [13], N. S. Kubyshyna [5], T. O. Prymak [13], Aleksander Sapiński [2], S. O. Solnscev [5], Patrizia Binotto [1], Agnieszka Budziewicz-Guźlecka [1], Anna Drab-Kurowska [1], Karolina Dreła [1], Aneta Sokół [1], Jiri Kralik [1], A. V. Fedorchenko [3, 9] are devoted to the marketing tools for promoting the enterprises commodity flows research. Their works comprehensively cover the understanding of the use of digital tools in the marketing sphere, the essence and structure of strategic marketing, and the general concepts of improving the information support of marketing systems. Today, it is advisable to study the theoretical and methodological aspects of digital tools and procedures for the strategic promotion of products to the market of the chocolate factory "Millennium."

It is advisable to conduct a comprehensive analysis of the enterprise's marketing strategic activities and competition in distribution channels and organize marketing research to identify consumer preferences and obtain promising recommendations. This will successfully outline the prospects and opportunities of the company's marketing activities in the target markets, develop recommendations for improving marketing communications in the company's distribution channels, account and considering the achievement of certain sustainable development goals.

Statement of the problem (formulation of the objectives of the article).

The purpose of the study is to improve marketing tools to ensure effective product promotion in the Ukrainian and global chocolate markets

In accordance with this goal, the paper sets the following tasks:

- outline the theoretical and methodological foundations of strategic marketing promotion is a significant marketing tool in ensuring effective product promotion;
- analyze the share of manufacturers in 2022, chocolate;
- carry out to focus on stimulating distributors through such measures and tools;
- analyze the peculiarity of marketing pricing for foreign trade in the Millennium company, features of the target audience: regular and irregular consumers;
- analyze the financial and economic activities of MALBY FOODS LLC;
- carry out campaigns to promote the company's products are effective.

Presentation of the main research material. Strategic marketing is a significant marketing tool in ensuring effective product promotion. I.L. Sazonets, Y.M. Varych study the essence and basic concepts of TNCs' activities in the context of globalization, defining the strategic policy of an enterprise based on the modern multipolar world, where international business is developing rapidly, and sustainable development is being formed by ensuring the interests of globalization actors and social groups [14, p. 52–53].

Scientists also rightly emphasize that an enterprise's new social strategy should consider fundamental shifts in competitive interaction in markets and three components of the social strategy are identified: the consumer, the state of the environment, and the paradigm of economic relations within the state. It is advisable to cooperate in the global economic plane between enterprises, the state, and its institutions [14, p. 175].

Indeed, the strategic promotion of products to the market requires considering complex, long-term aspects of marketing communication interaction of economic agents in modern markets, where organizational product and marketing innovations are widely used. Such features are inherent in Ukraine's confectionery market.

It is reasonable and creative to reflect the essence of marketing communications and their types to determine the content and features of the company's distribution channels within sustainable development. In this aspect, the article analyzes the financial and economic activities, marketing complex, Millennium, and the communication interaction of this enterprise with creative agencies and digital companies. Particular emphasis should be placed on the competitive analysis of the company's target market. It is worth analyzing the industry structure. It is important to organize a marketing study to determine the most rational forms of interaction and means of communication in distribution channels.

The chocolate factory "Millennium" was founded in Dnipro (Ukraine) in 1999. Today, the company is one of the largest producers of chocolate and candies in Ukraine, satisfying a wide range of needs of modern consumers. Produces candies and chocolate under the Millennium, Lyubimov, Oskar le Grand, and Disney brands [11, 12]. The company's marketers believe that export flows should, to some extent, be synchronous with the flows of domestic confectionery products of the Millennium brand. However, their content and structure should reflect the demands of demanding consumers in foreign markets. It is emphasized that the confectionery products of the "Millennium" company have been successfully competing with European manufacturers within our country for several years so that they can compete with them abroad as well. Thanks to producing high-quality and relatively inexpensive goods under a well-known brand, the company has tangible competitive advantages in Ukraine, Europe, and Asia [11, 12, 15].

The chocolate factory "Millennium" was the first one in Ukraine to produce aerated chocolate, chocolate with whole nut, white chocolate, chocolate in carton packaging, chocolate in the packaging with a window, and super-thin chocolate bars. Millennium has been a leader in the aerated chocolate segment for more than 20 years. Market share of Millennium with whole nut is 70%. Factory was founded in 1999. It enters the group of Malbi companies [11, 12, 16].

The total consumption of chocolate in Ukraine has decreased due to the outflow of the population abroad. Markets are changing, and logistics and supply chains are disrupted. However, market share and sales of Millennium chocolate increased. In January 2022, the company launched a new production line and released a new line of chocolate. This allowed to support the growth of volumes and market share. Despite all the difficulties in 2022, the chocolate factory "Millennium" continues to work at total capacity, release new products, introduce the company at big International exhibitions, conclude new contracts, and increase our presence in the European market, picture 1.

This graph (Figure 1) shows data on chocolate sales for 2022 in percentage terms among competitors in this industry. We see that the Malbi Foods group of companies is the leader in chocolate sales, which accounts for 29.8% of chocolate sales, followed by Roshen with 22.6% of sales, and AVK closes the list with 0.4% of sales and Lindt&sprungli 0.3% respectively.

In the EU, competition is very high, and the manufacturer is forced to stimulate its sales by influencing the end consumer. Otherwise, the manufacturer's product will remain

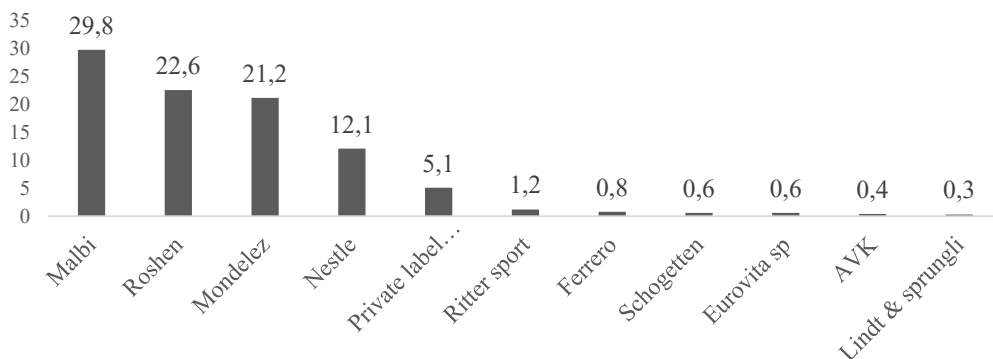


Figure 1. Share of manufacturers in kg, %, 2022, Chocolate

Source: [11, 12, 16]

unnoticed. Asia has a completely different competitive environment. Although the incomes of the population have recently increased in some respects, the market competition is still low. Here it is profitable for Millennium to focus on stimulating distributors through such measures and tools as:

- motivational promotions of various companies that are part of the sales logistics chain, through which flows of chocolate products are moved to the final consumer (stimulation with prizes or bonuses of buyers of goods in the wholesale channel, sales teams, remuneration of agents who distribute products);
- industry sites are an excellent platform for disseminating information and spreading marketing communication flows about the benefits of chocolate products, finding new digital communication channels and customers;
- participation in exhibitions is the most convenient way to introduce a new product to the market since business people visit them to get acquainted with new products and choose from them the most responsive to their needs [1, 3, 4, 13].

The peculiarity of marketing pricing for foreign trade in the Millennium company, taking into account the specifics of the international competitive environment, is based on the fact that there are two brands in the portfolio of the chocolate factory:

First, TM “Oskar le Grand” represents the “High premium” segment. The products under this well-known trademark are produced taking into account selected ingredients, and the design is very respectable and European. Such products compete in international markets with well-known brands from Switzerland or Belgium, such as Lindt, Frey, Guylian, Neuhaus, etc.

Secondly, TM “Millennium” represents the middle price segment. For this segment, international marketing pricing is differentiated, taking into account two categories:

1. Sweets. Unique candies in their shape and recipe, which have no analogs in international markets, allows the Millennium company to set average market prices for chocolate products. Pricing account considers the cultural and mental value characteristics of a particular country. For example, it is reflected in approximately the same price range as with Polish or German manufacturers. At the same time, legal and competitive regulation within the EU’s single market space is considered.

2. Chocolate. As a rule, the cost of a standard chocolate bar of 100 g is determined by the cost of cocoa products on international commodity exchanges. It looks approximately the same in the studied segments of the international market. Millennium is forced to set prices lower than its competitors without having special competitive advantages over its imported counterparts. In the presence of appropriate legal and competitive conditions, a penetration strategy at the expense of lower prices can be applied.

Experts rightly point out that when organizing international trade, multiple prices are successful when prices for chocolate products are profoundly differentiated. A certain product can be sold at different prices depending on the place and time of its sale, the terms of the commercial agreement, the currency of settlement operations, and the characteristics of fundamental market forces [2, 4, 6, 7].

We will conduct a comparative marketing analysis of the means of strategic promotion of confectionery enterprises in Ukraine. Note that the Millennium chocolate company uses product scaling and active competition for all confectionary niches, increasing at the expense of its resources SKU (Stock Keeping Unit) [2, 6, 7, 10]. SKU is an identifier of a product item, stock accounting unit, or warehouse number used in domestic and international trade to track statistics on sold goods and/or services. “Millennium” company constantly calculates the SKU of product flows in large and dominant stores in Ukraine. In this context, the economic agent actively promotes its products, from beverages to confectionery, certainly in retail [11, 12, 15].

Experts in the field of marketing emphasize that during the strategic promotion of goods, it is appropriate to calculate the target rating (TRP, Target Rating Point) as a total rating obtained as a result of a successful advertising campaign among the target audience, that is, the total number of ratings of the target audience.

Table 1

Features of the target audience: regular and irregular consumers

Gender	Male	42.2	90	39.4	84	34.8	74
	Female	57.8	109	60.6	115	65.2	123
Age	12–17	9.8	154	8.1	127	3.6	57
	18–24	14.1	136	11.3	110	12.6	122
	25–29	14.1	117	12.5	104	11.9	99
	30–39	23.6	103	22.8	100	23.5	103
	40–54	24.1	85	27.4	97	30	106
	55–65	14.4	72	17.8	89	18.3	91
Income level	High	15.2	111	14.3	104	17.4	127
	>Medium	27.7	102	28.1	103	29.9	110
	Medium	34.1	92	36	97	35.4	96
	<Medium	6.5	86	6.4	85	5.6	75
Type of city	Low	6.5	87	6.1	89	8	107
	Kyiv	16.3	112	15.9	109	14.5	100
	>500к	32.2	98	31.9	97	35.8	109
	100–500к	37.9	97	38.5	99	36.9	95
	50–100к	13.6	99	13.7	100	12.7	93

Source: generated by the authors based on [11, 12, 16].

It should be noted that women with average and above average income live in big cities and regional centers; they are the primary audience of consumers of all chocolate products. In particular, chocolate bars are in great demand among the younger audience, and older women are the main consumers of bars and candies. Different audiences have mainly represented value streams, such as fatalism, healthy eating, and the trend toward responsible behavior, collectivism, self-confidence, and energy. Beyond any doubt, consumers of chocolate products tend to show social and environmental responsibility in sustainable development.

LLC “MALBY FOODS” was registered on 07.06.2004. The head of the organization is Dveris Yevhen Borysovykh. The authorized capital is UAH 3,270,550.00. The company’s EDRPOU code is 32998661.

Activities: Main: 10.82 Manufacture of cocoa, chocolate, and sugar confectionery. Other:

46.19 Activities of intermediaries in the trade of general merchandise

46.36 Wholesale of sugar, chocolate and confectionery

47.24 Retail sale of bakery products, flour, and sugar confectionery in specialized stores [15, 16].

Let us analyze the financial and economic activities of MALBY FOODS LLC during 2020–2022, Table 2.

Table 2

Changes in the financial and economic performance indicators
of MALBY FOODS LLC during 2020–2022

Indicators	2020	2021	2022	Absolute deviation 2022/2020	Relative deviation 2022/2020, %
Revenue, UAH ths.	1817761	2241061	2640568	822 807,00	45,26
Net profit, UAH ths.	11815	22144	23729	11 914,00	100,84
Assets, UAH	1466836	1668174	1761697	294 861,00	20,10
Liabilities, UAH ths.	1366833	1176906	1255700	-111 133,00	-8,13
Number of employees, persons	-	634	685	×	×
Net income UAH ths. / 1 persons		34,92744479	34,64087591	×	×

Source: analyzed by the authors based on [15, 16]

As can be seen from the analytical table 2, the company’s revenue during 2020–2022 UAH ths. increased by 822,807.00 UAH ths. Net profit also increased by 11914.00 UAH ths, which is 100.84%. The size of Assets for the indicated years of the study increased by UAH 294 861.00, a relative deviation of 20.10%. Liabilities decreased by -111,133.00 UAH ths., i.e. by -8.13%. The number of employees increased from 634 to 685 persons. Net income UAH ths. / 1 person slightly decreased from UAH 34.92744479 in 2021 to UAH 34.64087591 in 2022 [15, 16].

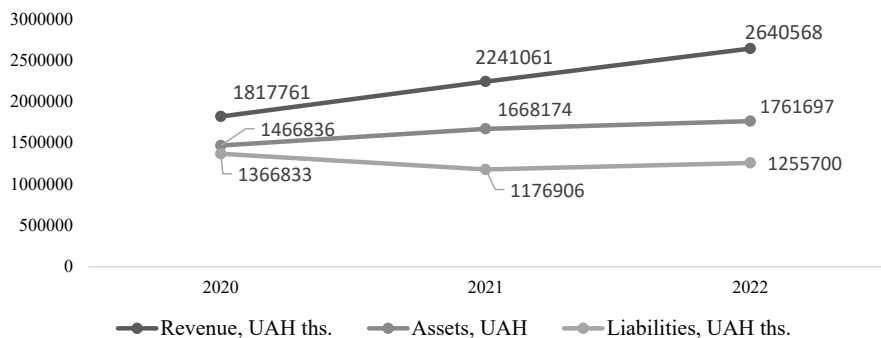


Figure 2. Financial indicators of MALBY FOODS LLC during 2020–2022
 Source: analyzed by the authors based on [15, 16]

As seen from Table 2 and Figure 2, the financial and economic indicators of the chocolate factory’s performance have improved.

Let’s conduct a competitive review of the company’s Chocolate Products category from 2014 – November 2017 to provide a baseline for identifying trends in the current period, Figure 3.

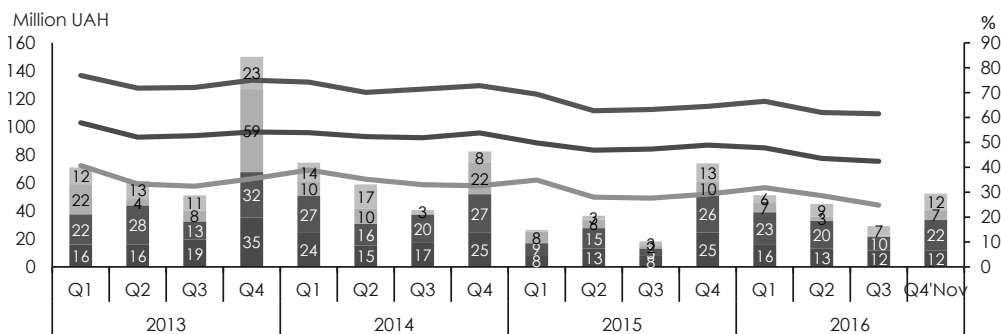


Figure 3. Seasonal investments in the chocolate category

Source: compiled by the authors based on [3, 11, 12, 15, 16, 17].

Notes: red – chocolate bars, green – chocolate candies, blue – chocolate bars, gray – other chocolate products, linear functions – penetration of chocolate bars and chocolate products

According to Figure 3, we note that the decline in penetration of all segments of the chocolate category in 2015 was the most media passive. Despite the drop in such activity, the segments continued to invest throughout the year.

An interesting fact is that in recent years, a new series of premium chocolate with a promising name, Discover Europe, has been released under the Millennium brand. The

collection is characterized by a fundamentally new approach to shaping the taste of chocolate. The recipes are selected according to the preferences of a particular European country. For example, dark chocolate with salt is the best-selling chocolate in Belgium, while dark chocolate with orange is a bestseller in Spain, the French love milk chocolate, and conservative Germans and Swiss prefer chocolate with whole nuts and almonds [8, 9].

Such campaigns to promote the company's products are effective:

– The “Give Happiness” campaign is from Lyubimov and GAPCHINSKA! The best gift for your loved ones is happiness! Now, Lyubimov is even happier. GAPCHINSKA chocolates have even more happiness [11, 12, 15].

Millennium uses a variety of structures to promote information about the company itself and its products, as well as an informative push about promotions, new products, etc. One such element of pushing information flows is the Facebook page, <https://www.facebook.com/ChocolateMillennium>

The company employs SMM specialists who manage its pages on global social networks. They use all the latest company information, post videos, product links, and company promotions, and regularly hold contests to support the target audience.

The article outlines the prospects for developing and expanding the international marketing policy and strategic promotion of Millennium products. It is advisable to improve the organization of Millennium's marketing activities in the international confectionery markets. It is difficult to offer something radically new in the international consumer market. Scholars argue that innovation is an illusion today [5, 11, 12, 16]. One of the consequences of this was a significant decline in brand loyalty in numerous markets.

Another factor that affects the company's marketing policy in mature markets is the declining influence of advertising. Given the fragmentation of the confectionery market into small segments, traditional advertising, especially television, is no longer paying off, and it is becoming increasingly difficult to convey the necessary information to consumers. This pushes Millennium to revise its marketing budget. This effect is more noticeable in Europe than in Ukraine. In some Western markets, the company is reorienting itself toward direct sales.

The third factor is the perception of product quality. International markets offer products with little differentiation (with minor differences). If a consumer does not quickly find the product he or she needs, he or she can easily switch to a substitute.

Conclusions and Prospects for Further Research. The research outlined that the study aims to highlight and improve marketing tools to ensure effective product promotion in the Ukrainian and global chocolate markets.

Outlined the theoretical and methodological foundations of strategic marketing promotion as a significant marketing tool in ensuring effective product promotion. Analyzed share of manufacturers in 2022 chocolate. Carry out to focus on stimulating distributors through such measures and tools. Analyzed peculiarity of marketing pricing for foreign trade in the Millennium company, features of the target audience: regular and irregular consumers. Analyzed the financial and economic activities of MALBY FOODS LLC. Carry out campaigns to promote the company's products are effective.

The prospects for further research and development in this area lie in the comprehensive consideration and use of artificial intelligence tools in promoting chocolate and confectionery products in the domestic and international markets.

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МАРКЕТИНГОВІ ІНСТРУМЕНТИ У ЗАБЕЗПЕЧЕННІ ЕФЕКТИВНОГО ПРОСУВАННЯ ПРОДУКТУ НА УКРАЇНСЬКОМУ ТА СВІТОВОМУ РИНКУ ШОКОЛАДУ

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Метою дослідження є удосконалення маркетингового інструментарію у забезпеченні ефективного просування продукції на українському та світовому ринках шоколаду. Узагальнено теоретико-методологічні засади стратегічного маркетингового просування як інструменту ефективного просування продукції. Проаналізовано частки найбільших виробників шоколаду у 2022 році. Визначено особливості маркетингового ціноутворення для зовнішньоекономічної діяльності в компанії Millennium, характеристики цільової аудиторії з виділенням постійних і нерегулярних споживачів. Проаналізовано фінансово-господарську діяльність ТОВ «МАЛБІ ФУДС». Загальне споживання шоколаду в Україні скоротилося через відтік населення за кордон. Ринки змінюються, логістика та ланцюги поставок порушуються. Проте частка ринку та продажі шоколаду Millennium зросли. Особливість маркетингового ціноутворення у зовнішньоекономічній діяльності компанії Millennium з урахуванням специфіки міжнародного конкурентного середовища базується на тому, що в портфелі шоколадної фабрики є два бренди. Проведені кампанії з просування продукції фірми є ефективними, про що свідчить зростання її фінансових результатів діяльності

Ключові слова: маркетинговий інструмент, просування продукту, споживання, шоколад, стимулювання дистриб'юторів, загальне споживання.

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