

## FOREIGN EXPERIENCE IN ORGANIZATION OF MARKET FOR UKRAINIAN MILK PRODUCTION

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**Problem statement.** Increase of sales is included in the list of the key tasks for Ukrainian milk production. The main problem here is to sell products which often mismatch customers' needs and preferences. This has a negative influence on quality parameters of milk production and aggravates the problem of its distribution, especially in the foreign markets. Deep market research and analysis could give necessary information about customers' wishes as for milk products.

**The relevance of theme precondition reasons.** Firstly, we consider that the success of milk products distribution depend on the sales organization according to the customers' needs rather than on the company's financial opportunities.

Secondly, nowadays, there is an actual question about launching of Ukrainian products to foreign markets. That is why the industry must take into account both Ukrainian and foreign customers' preferences.

Finally, Ukrainian industry needs to strengthen the experience of additional marketing means including the study of customers' preferences (domestic and foreign). This will also allow to identify channels of milk products distribution and provide greater income with minimal costs.

**The aim of research** was to study marketing features of foreign milk markets.

**The results of research.** We considered the results of Danone Company activity in the Western Europe markets. Creating a new Irish market the company performed nationwide expertise of milk market for research food preferences of Irish consumers. The research showed a great difference between figures in Ireland and France, for instance: in average Irish consume 10.2 kg per person of fresh milk products comparing with 33.2 kg consumed in France [2].

Danone Company had great production capacity and was ready to increase sales of fresh milk products in Ireland. To perform the goal the company developed a strategy which included some innovations as well:

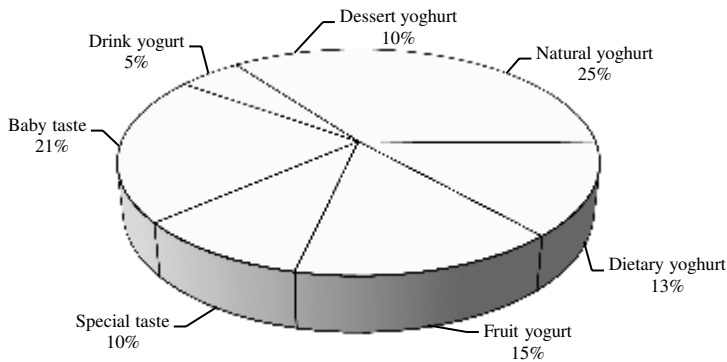
- The company provided deep marketing research as for milk products in Ireland (considering geographical, demographic, psycho-graphical and even behavior aspects).
- Danone started a huge advertising campaign to put unique products which were marked as healthy and delicious. That helped to show advantages of new products to Irish customers.

Searching for and development of new products was the main part of the strategy. Danone Company did their best to follow customers habits and needs which often change. Creating and launching new products according to the

research results benefitted the company significantly. That was really successful approach.

Danone assimilated and considered European consumers expectations while advertising their products. For instance, they sell yogurt as a symbol of good health in France; in Great Britain the product often referred to intelligence. In that country they put fruit for taste which customers liked more. In Spain and Portugal, where fruit are in great amount and varieties, children and adults prefer yogurt without additives. In Italy customers like mixed yogurts and Danone varied their products aiming small children mostly.

Developing their advertising campaign Danone managed to connect 150,000 of Irish homes [2].



**Fig. 1. Results of Irish marketing research  
(distribution of different products between market segments)**

Another report presents effective marketing strategies for yogurt business in Thailand [3]. It contains some criteria which are important for our research too. For example, the age of Thai women and men, who usually eat yogurt, is between 15 and 35. Their general income makes up 20,000 baht. To provide better sales the production company should increase consumers' awareness about yogurt as healthy food, because yogurt is not so popular (comparing with milk) in the country occupying the 2nd place in the market. Favorite yogurt tastes in Bangkok are strawberry and blueberry. Besides of it people like pudding yogurt, kiwi and others. Citizens of Bangkok are ready to pay 40-45 baht for a portion (a glass) of home-made yogurt. The most commercial locations of outlets for selling yogurt are busy streets and squares (for instance, Siam – it is a popular and lively place where people come with friends and families).

According to their Review [1], Müller Company performed the strategy for the market segment growth. The approaches are comparable with the ones, which have been used by other companies, and included:

- Strong matching to customers' needs and preferences. That allowed to make a variety of products for people of different ages and income.
- New product brands and packaging formats.
- Comfortable service.

The steps allowed Müller Company to find their way and occupy a large market segment. That provided significant capacity increase and improvement of the product quality.

**Conclusion.** To sum up all the ideas we should state that both foreign and domestic markets must be well studied before launching new products. Different methods can be used for that purpose. The producer could develop its own strategy or follow the ways which were applied by famous brands. It must be emphasized that comparing with our market the foreign one has a number of advantages such as well developed industries, different innovations and wide range of services. That means strong competition for Ukrainian producers which must develop marketing analysis tools and methods to search costumers' needs and market more effectively. Without these approaches it might be impossible for Ukrainian products to be introduced in foreign markets.

#### References:

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3. The effective marketing strategies for yogurt business in Bangkok, Thailand [Electronic edition] // Mode of access: <http://www.uppsatser.se/om/Bangkokmarketing>

## АНАЛИЗ ПОКАЗАТЕЛЕЙ-ИНДИКАТОРОВ РЕФОРМЫ ДЕЦЕНТРАЛИЗАЦИИ

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Для эффективного развития национальной экономики Украины сегодня особую актуальность приобретает вопрос децентрализации. Именно она является базовым условием независимой деятельности органов местной власти. Современная Украина находится в тяжелом экономическом и политическом положении. Одной из причин этого является