IOP Conf. Series: Materials Science and Engineering 940 (2020) 012056 doi:10.1088/1757-899X/940/1/012056

# Marketing technologies in the organization of business processes of retail trade

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**Abstract**. Retail is now a dynamic industry. It is highly competitive and requires a process approach. Organization of trade business according to the process management model involves standardization of business processes, application of marketing technologies. The efficient operation of trading enterprises depends on the use of marketing tools. Marketing of the retail trading enterprise allows to form an individual trading offer supported by a trading service. The conceptual development of trade creates conditions for the formation of new concepts, in particular the marketing of cooperation oriented towards the development of long-term cooperation.

Retail is the most dynamically developing market segment in Russia. At the end of 2018, the volume of retail in the Russian Federation as a whole increased by 2.6% compared to the same previous period, amounting to 31.548 trillion rubles.

"Retail is one of the types of commercial activities associated with the sale of goods to the final consumer for the purpose of subsequent personal (family) use." Development of the retail in modern conditions contributes to the qualitative satisfaction of consumer demand, as well as ensuring the efficient operation of the consumer market [1].

Competition in retail is developing rapidly in the context of the spread of Western retail chains to the Russian market, the improvement of electronic commerce, and the transformation of consumer behavior patterns. Actively, representatives of Russian business are trying to adopt the progressive experience of Western retailers, but there is an acute shortage of adapted theoretical concepts and useful practical methods [2].

The core business of a retailer is its business processes, which are determined by the goals and objectives of the company.

The development of retail turnover as a whole is impossible without increasing the efficiency of individual trading companies. Consumer market participants, in turn, are interested in increasing their effectiveness, as they operate in the conditions of fierce competition, and only constant modernization of methods and tools of work will enable them to increase profit, strengthen their market position and increase their market share. Under these conditions, only those players whose business processes are well organized and have the potential to develop gain [3].

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#### 1. Methods

The research methodology is based on the presentation of the structural components of marketing business processes, characterized by different degrees of adaptability to the market situation [4-7].

To solve this problem, we used such research methods as:

- theoretical analysis;
- economic analysis;
- comparative analysis;
- general scientific research method (systematic approach);
- synthesis method;
- deduction.

### 2. Results and Discussion

2.1 Business processes of the trade enterprise. "A business process is a complex of interrelated trading and technological operations aimed at implementing and achieving the mission of a trading company."

A trading company carries out two types of operations:

- commercial (demand research, assortment building, advertising, etc.);
- production (acceptance of goods, storage, merchandising, etc.).

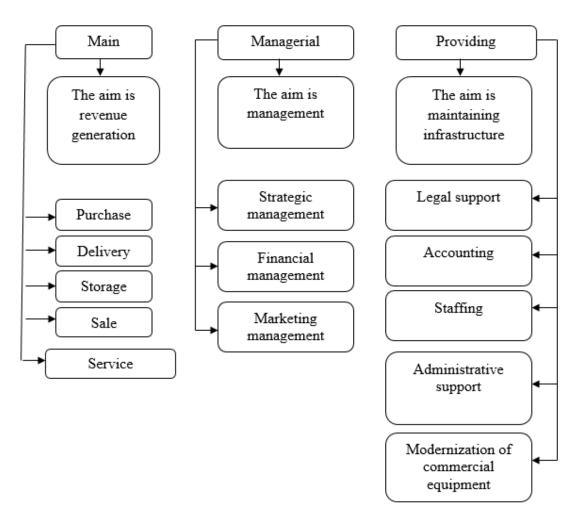
The totality of these operations forms the trading and technological process of the retail enterprise. Implementation of commercial and production operations of a trade enterprise is carried out in conjunction with the study of consumer demand, the formation of a product range, accounting for inventory, organization of advertising and other operations, that is, the functioning of the business processes of a trading company is interconnected with the development of its marketing tools.

A trading company is a complex system that includes business processes, each of which is a sequence of actions and decisions aimed at achieving certain tasks. Each trading company has its own set of business processes, while it is not standard for all trading companies, since it depends on the specifics of the trading company (the size of the company, its location, features of the sales process, etc.). A typical model of business processes of a trading enterprise is presented in Figure 1. Business processes are closely interconnected with each other; they are aimed at ensuring the effectiveness of trading activities. During the functioning of business processes, the goods of a trading company receive a certain added value, as a result, each business process directly or indirectly contributes to the growth of profit of a trading company [8].

Figure 1. Business processes of a trade organization



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2.2. Marketing of the trade enterprise. The functioning of business processes is directly related to the organization of sales and marketing. Trade development is conceptually determined by the content of marketing. The activities of trade enterprises are focused on satisfying customer preferences, which is realized through the formation of an assortment matrix, the development and implementation of a sales plan, the development of loyalty programs, and the standardization of business processes. The management of trading enterprises recognized the need for the use of tools of marketing, which allows to multiply a variety of mechanisms and techniques aimed at meeting the needs of potential buyers [9-12].

The main task of trade enterprises is to provide the opportunity to purchase any product with the appropriate quality of trade services. The offered set of services is one of the main means to make your store different from the rest. The traditional marketing concept distinguishes four components of the complex - product, price, distribution channels and promotion. Using a specific application of this concept to the market of resellers, it is necessary to consider the transformation of these elements of the marketing mix. In relation to the field of trade marketing, it is necessary to add three additional factors - location, staff and design - that influence the marketing activities of trade enterprises. In trade marketing, a service is a product. Implementing a customer-oriented approach, trading enterprises are focused on long-term success, which can be achieved by creating economies of scale or by applying modern marketing technologies, by introducing innovations in the organization of business processes. The main points of trade marketing are based on the classical theory of marketing. Trade marketing can be considered, on the one hand, as a form of marketing of commercial intermediation, and on the other hand, as an independent direction of marketing activity. The content of trade marketing is



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determined by the nature of the trading company, the form of organization of trade, sources of procurement of goods, composition of customers and many other factors. A feature of marketing trade services is the priority in satisfying the needs of customers, which is preceded by a search and market research to identify real and predicted needs, as well as their formation, creation and maintenance of conditions for trade services that ensure maximum satisfaction of these needs. It should be noted that trade marketing is related to both wholesale and retail. A marketing tool for a trading company is the use of its own brands, which can save on marketing costs, provide long-term cooperation between suppliers of goods, trade and consumers. Trade marketing includes a system of interaction between participants in the process of supply and distribution, based on the application of scientific methods and tactical marketing decisions, contributes to: establishing mutually beneficial relations between subjects of commodity circulation, standardization of business processes, innovative activity of trade [13-15].

2.3. Marketing technologies of the trade enterprise. The term "marketing technology" is diverse. This definition can be considered as: a toolkit of the marketing process, a model, a systemic method or a set of means to achieve goals and objectives. In addition, the considered options for the definition of the term "marketing technology" are necessary in order to fully disclose the content of marketing technologies. The diversity of opinions in terminology, the versatility of the concept from the standpoint of a theoretical approach suggests that the implementation of the problem depends on the future anagenesis of marketing. The center of marketing technologies is the concept of the complete regulation of the marketing process, its planning and analysis through gradual execution. The essence of marketing technology is that, based on continuous feedback, ensure the implementation of specific market goals and objectives. Marketing technologies - a set of sequential actions, operations; aimed at developing and implementing marketing solutions, organizing marketing business processes, achieving strategic goals [16].

The use of marketing technologies in business processes improves the efficiency of company management, and also makes it possible to:

- optimize human labor, primarily marketing;
- exercise constant control over business processes, which will identify and eliminate inaccuracies in their management;
  - form effective ways to solve certain marketing problems and develop this experience;
  - adapt scientific methods and means of managing the business processes of a trading company.

All this together contributes to an increase in potential buyers, an increase in consumer demand for goods and trade services, and, as a result, an increase in the efficiency indicators of the commercial activity of a trading company [17].

In the practice of trading enterprises, traditional marketing technologies have become widespread: targeting, segmentation, positioning, forecasting, analysis. In addition to pre-existing marketing technologies, modern marketing technologies have been added: guerrilla marketing, viral marketing, trade marketing, network marketing, integrated marketing communications, brand and rebranding technology, cross-marketing, call center marketing technologies, Internet marketing technologies, mobile marketing technologies, product placement, direct marketing technologies, enterprise exhibition technology.

The implementation of the above marketing technologies allows to increase the efficiency of commercial activities, to strengthen competitive positions. The development of market relations actualized issues related to the improvement of marketing theory, in particular the concept of relationship marketing. In the last decade, interaction marketing has grown into engagement marketing, transferring to the consumer (partner) a significant part of the functions for choosing the parameters and characteristics of the interaction process [18].

2.4. Cross-marketing in retail. The concept of interaction marketing provides for the search for customers who are currently not the most profitable for a trading company, but can become them in the long term. The decision on what kind of marketing tools to use is made by each business entity,



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based on the market situation and its own resource provision. In modern conditions, retail technology has received widespread marketing technology - cross-marketing (joint marketing).

Cross-marketing technology is a marketing tool that combines the components of two or more marketing technologies in order to obtain a synergistic effect from the introduction of their individual elements and to save the resources necessary for this. Cross-marketing technologies should also be understood as the process of applying standardized marketing elements (tools) designed to solve the same or similar problems within different marketing technologies.

This direction represents a mutually beneficial partnership of companies (two or more) aimed at promoting related products and services through joint marketing programs. At the same time, the company must understand and acknowledge the fact that the success of the interaction partially depends on each side, since this is what forms the conceptual basis for creating marketing alliances [19].

The use of joint marketing has several advantages, among which are the following:

- growth in sales volumes, development of the client base;
- increase customer loyalty;
- saving financial resources;
- a greater number of contacts of the company with the target segment.
- increasing the recognition of the company and increasing the image in the eyes of customers.

The preferred element of cross-technology is the choice of a partner, since the profitability of the campaign depends on it.

The main forms of cross-marketing are shown in table 1.

**Table 1**. Forms of cross-marketing

Cross-marketing	Tasks and results	Participants
form		
Promotion action	Promotes the exchange of the target audience,	Food retail, cosmetics,
	redirects the flow from the partner's sales points	clothing, shoes, electronics
	to their facilities and vice versa. Customer base	stores
	development, increase in sales, increase in	
	consumer loyalty and recognition of points of sale	
Joint event	Enables direct contact with representatives of	Car dealers, distribution
	target groups, gathering contacts of potential	networks
	customers, their acquaintance with product	
	samples. Increase of PR	
Joint advertising	Helps reduce the cost of producing promotional	Any trading companies,
	materials, paying for television, and renting	regardless of the format,
	billboards. Increasing the recognition of points of	which use traditional
	sale and strengthening their general perception	advertising to promote
Mutual advertising	Expanding the reach of the target audience,	Any trading companies
	increasing the recognition of outlets, easier	regardless of the format
	adoption of the second brand, if the client is	that social media use to
	already loyal to the first	promote
Co-branded cards	Stimulate more purchases, engage consumers in	Trading networks, banks,
	long-term relationships thanks to programs for	large online stores
	accumulating points, bonuses, increase loyalty	
	through cashback and due to favorable credit	
	conditions	
Coalition Loyalty	Expanding the number of bank card transactions,	Food retail, retail chains,
Program	increasing customer loyalty through cashback and	pharmacies, car
	other profitable offers. Ideally, the buyer uses the	dealerships, electronics



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Cross-marketing form	Tasks and results	Participants
	services of a pool of companies	stores

Cross-marketing, depending on the length of the period of cooperation between the companies, is divided into two types: strategic and tactical cross-marketing.

Strategic cross-marketing is focused on long-term perspective relations of two or more entrepreneurial structures. Tactical cross-marketing is a collaboration of two non-competing companies conducting one cross-share.

The practice of using tactical cross-marketing by retail is currently quite extensive; table 2 shows examples of tactical cross-marketing technologies in the business processes of trading companies [20-22].

**Table 2.** Cross-marketing technology in the framework of tactical cross-marketing

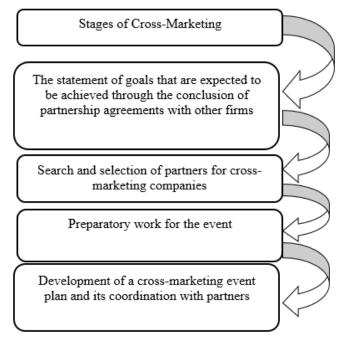
Participants in the marketing campaign	Essence of the stock	
"Pyaterochka" retail network,	Holders of ordinary or gold Visa cards participating in	
"Sberbank" and Visa payment system	the "Thank you from "Sberbank" program, having made	
	a purchase in the "Pyaterochka" retail chain, received	
	bonuses up to 100% of the purchase price	
"FixPrice" and taxi	When making a purchase at "FixPrice", the client	
	receives a 30% discount on taxi	
"FixPrice" and the trade network	When making a purchase at "FixPrice", the client	
"CenterObuv"	receives a discount of 500 rubles at "CenterObuv"	
Retail chain "Soho" and chain of	Soho salons provided a 20% discount to Ile de Beaute	
cosmetics stores "Il de Bote"	VIP card holders, and Soho card holders received an	
	additional 10% discount in Ile de Beaute network	
A chain of jewelry stores "SUNLIGHT"	The chain of jewelry stores "SUNLIGHT" offers free	
and 30 partners ("M Video", "FixPrice",	gifts upon purchase for a certain amount from partners	
"Daughters-Son", Sberbank, etc.).		

The organization of cross-marketing companies is carried out according to the established algorithm of actions, shown in Figure 2.

**Figure 2.** Algorithm for conducting cross-marketing events



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Consider the main mistakes implemented cross-marketing programs:

- the period of validity of the event is not defined;
- on promotional materials there is no expiration date;
- low probability of winning for buyers;
- the possibility of abuse;
- lack of a mutually beneficial cooperation program;
- lack of control over the fulfillment of obligations.

Thus, cross-marketing technology is a powerful tool and, in the event of a successful event, allows you to generate a high level of sales, expand your target audience, and establish long-term contacts.

## 3. Conclusions

- 1. Trading enterprise is the organization which provides for the functioning of business processes. Standardization and functionality of business processes are determined individually by each trading company, they are aimed at creating a more favorable product offer to the consumer, satisfying it in terms of price, quality and level of trading service, which will allow the company to ensure the planned sales volumes.
- 2. Marketing in trade is focused on providing a customer-oriented approach and multi-format trading. Marketing of a retail trade enterprise is aimed at coordinating supply and demand, satisfying customer demand, and offering goods backed by trading services and quality trading services.
- 3. Globalization of business, development of information technologies predetermines new conditions for organizing business processes when the success of a trading company depends on the effectiveness of interaction with customers. The use of traditional marketing in this situation becomes limited, which leads to the need to introduce new approaches in marketing, aimed at the formation and maintenance of long-term relationships with consumers, implemented in the concept of relationship marketing.
- 4. The use of marketing technologies actualizes issues related to the implementation of the process approach in trade. The client is maximally involved in the process of creating additional product value. Both the trading company and the buyer benefit from such a tie, which necessitates cross-marketing marketing technology, the essence of which is to develop a customer base at the expense of a partner's audience that is potentially interested in the company's products. The economic effect of cross-marketing is achieved through a more concentrated impact on the target audience.



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