
Russian Practice of Macro Marketing Concept Implementation in the Sphere of Market Institutes' Perfection and Solution of the Problems Concerning Import Replacement

Fedko V.P.¹, Prosandeeva T.I.,² Gumba C.V.,³ Turdzhan Y.R.⁴

Abstract:

The conceptual framework of macro marketing is formulated in this article. The main subjects of its use are identified, which made it possible to disclose the possibility of macro marketing in the sphere of global change in consumer behavior.

This forms new institutions of the market, the qualitative development of communicative mechanisms (advertising activities) and provides the solution of one key socio-economic task of the current stage of Russia's development — the promotion of import substitution.

Keywords: *Macro marketing, market institutions, risk responsibility behavior, advertising ethics, marketing of import substitution.*

¹Doctor of Science (Economics), Professor of the Department of Marketing and Advertising, federal state budget-funded educational institution of higher education "Rostov State University of Economics", yf42r@mail.ru

²Post-graduate student, the Department of Marketing and Advertising, federal state budget-funded educational institution of higher education "Rostov State University of Economics", tamara.prosandeewa@yandex.ru

³Post-graduate student, the Department of Marketing and Advertising, federal state budget-funded educational institution of higher education "Rostov State University of Economics"

⁴Post-graduate student, the Department of Marketing and Advertising, federal state budget-funded educational institution of higher education "Rostov State University of Economics"

1. Introduction

It will not be an exaggeration to state that modern marketing activities have gone beyond the scope of the firm, beyond the interests of a single economic entity and are actively used not only by economic agents, but also by organizations whose scope and sphere of interests cover a macro-level — state, large public associations, social movements, etc. And this phenomenon is natural, since the expansion of marketing space is associated with the need to integrate separate markets into the modern economy, create a business environment that would effectively adjust to constant changes of dynamic society of the XXI century, respond not only current, but also the perspective needs of the population in the best way in the long term. That is, the use of marketing to analyze processes at the macro-level, as well as to influence them, is not just a random attempt to apply the tool of active commercial practice for the solution of larger-scale tasks, but an objective need for understanding global market transformations.

The concept of “macro marketing“ is used in the scientific literature, but there is no single definition of it, which, in our opinion, is not a disadvantage, but it indicates the process of formation of various conceptual approaches to the development of this type of marketing consistent with the logic of development of marketing knowledge, which always came from practice, from the formation of forms of specific marketing activities and only then acquired the definite form of formalized knowledge. Taking into account a macro environment in the framework of marketing has already become a textbook case (demographic and economic, political and legal, technical and ecological and socio-cultural factors), adjustment to the macro environment being the basis for the company's survival on the market (Kotler, 1991). The study of "consumer behavior in the macroeconomic perspective" is also an unconditional element of a full-fledged marketing strategy (Lambin, 1996).

The active development of macro marketing began in the second half of the 1980s in the framework of the search for compromises in the commercial interests of firms and public inquiries. Moreover, many studies were based on historical analysis (Corley, 1987; Fullerton, 1988; Kaufman, 1987) appealing not only to the macroeconomic scale of analysis, but also to the length of the marketing processes studied. It is also important to note that some of the early works in the field of macro marketing were aimed at finding mechanisms for resolving the conflict of interests of society and business in such a complex and emotionally colored sphere as advertising (Fullerton *and* Nevett, 1986), which will be analyzed further.

Domestic researches in the field of macro marketing also develop, but they have a more pronounced focus on studying a particular sphere of the economy — investment (Braverman, 1996), innovations (Gamidullaev, 2012), regulations (Braverman, 1997).

In short, macro marketing is already used in analyzing the external conditions of the

firm's commercial activities, and in the context of the global activity of transnational corporations, as well as in the framework of the growing practice of using marketing by large social organizations — state, public organizations (political, educational, environmental, volunteer, etc.), associations (business, consumer, etc.) and other entities that can influence socio-economic processes in the whole country. It is the emergence of governance actors participating in macro-level market processes that makes it necessary to form not only a general theoretical basis for macro marketing, but also develop a broad methodological base for its application to analyze and understand needs and requirements at the society level, influence the economic behavior of its members as consumers of goods and services.

This manifests the role of macro marketing in the modern developed market economy. Its main conceptual meaning is that, within the framework of implementation of macro marketing, the effects achieved are not limited to commercial results from marketing work, but also include large-scale socio-economic consequences in the form of changes of market institutions, a change of consumer behavior can change not only the volume of demand for goods and services, but also qualitatively transform the very mechanism of their market supply. Moreover, the potential of these changes lies in the already existing marketing practice of influencing the mass market of goods and services, its consumer trends set, the supply of a huge conglomerate of consumer goods to millions (and billions in terms of separate product items) of consumers supported. The global scale of the world's largest corporate players on the consumer markets already allows considering their impact as an impact on demand at the macroeconomic level. Moreover, this influence is expanding and not only spreading quantitatively, but also changing qualitatively, penetrating deeper into the consciousness of the consumer, personally influencing him.

2. Stimulating risk responsibility behavior of consumers as a task of macro marketing

This aspect is extremely important precisely from the point of view of macro marketing, as causing mass changes in consumer behavior, the seller does not only change attitudes to his goods and raise his own income, but also influences the social and economic situation in society. Such a large-scale impact on consumer behavior is important for other subjects of economic life. First of all, it is important for the state, but also for other structures wanting to express public interests. Increase of consumer's responsibility on making a purchase is one of already practically developed directions of similar macroeconomic influences most vividly reflected in the sale of tobacco products.

A number of measures that do not prohibit smoking administratively (although limit places for this), but prevent them from wide distribution — warning labels on cigarette packs, elimination of showcases and advertising, and vice versa, social advertising that supports the idea of smoking cessation — all this is marketing

influences already implemented in practice that are aimed at abandoning the habit of smoking by all the society and pursuing the goal of improving the health of the entire population, even at the cost of the fiscal interests of the state which receives significant fees from this type of excisable goods. The key component of this area of marketing use which lies in increasing the responsibility of the buyer when purchasing goods, stimulating him/her to a rational choice (in this case, it is a refusal to purchase) can be viewed as an independent field of work important from the point of view of macro marketing, which is also important for society, since rational and a meaningful purchase increasing the efficiency of spending individual means increases the economic efficiency of the whole society on a mass scale.

Moreover, civilized development of society is impossible in certain spheres of activity without a responsible attitude of the consumer — this is the sphere of ecology and waste utilization. Without separate waste collection, most of it being the packaging of purchased goods and waste from their use, its effective processing is impossible. Therefore, it is necessary to form a responsible attitude of consumers to the purchase, including its entire cycle up to utilization. Certain stimulating measures are already being implemented in this area, but they will become more systematic and complex, if they are viewed in the framework of macro marketing as an independent way of working with consumers. Moreover, significant experience for such stimulation at the corporate level has already been accumulated — many firms support and promote socially significant ideas in the framework of social and ethical marketing. Using this experience it is possible not only to support certain aspects of consumption that are significant for society, but also radically influence the state of many spheres of activity, changing the quality of their functioning.

First of all, this applies to the spheres of ensuring safety of life and health. The basic elements of life and health protection that require the acquisition of certain goods are embodied in legally binding actions — for example, insurance and fire extinguishers in cars. However, a significant number of means of safety of life, safety of property, the ensurance of health cannot be acquired forcefully. For example, means of fire rescue and fire protection are not mandatory for households, although the risk of fires is large. The same applies to housing insurance, which has not yet been widely used in domestic practice, despite its importance for the security of the key property for any person. The range of directions for increasing the responsible attitude of the consumer to making a purchase decision is extremely wide and covers not only individual buyers but also corporate ones.

The organization of industrial consumption for corporate customers purchasing raw materials and resources, industrial and business services should not only be effective from the viewpoint of minimizing production costs, but also enhance sustainable business by reducing the risks of breaking its technological activities. Acquisition of high-quality materials, attraction of qualified specialists, accurate following of design and technological documentation are all financial, time and information costs that are necessary to ensure reliable production activity. Seeking to do sustainable

economic activity should be one of the leading motivations for entrepreneurial activity, which is often more focused on achieving a quick commercial effect, including by saving on the necessary costs, increasing the risk of disrupting production activities. Such issues as what and how the entrepreneur procures to run his/her business form the type of his/her behavior as a customer, which can also be viewed from the point of view of responsibility regarding the reliability and sustainability of the enterprise's functioning, which is extremely important for certain sectors of the economy, for example, agriculture, as it ensures its sustainable reproduction in an unfavorable external environment (agro-insurance against natural and climatic risks).

One of the main types of responsibility for own commercial errors and managerial disadvantages, including cases of making purchases are undoubtedly financial losses caused by economic miscalculations. However, financial responsibility is already a consequence of the realization of a certain type of behavior, when the probable risk has already been realized in some damage. Responsible economic behavior is precisely aimed at preventing damage on the basis of a thorough analysis of the constantly emerging risks of entrepreneurial activity and counteracting them through appropriate actions, including the purchase of goods and business services that ensure sustainability of the business (for example, insurance services). Responsible attitude to business is an enterprise culture that combines both managerial professionalism and voluntary and conscious adherence of the business entity to the goals of sustainable development proceeding from the ethics of business.

That is, we consider business as responsible when the entrepreneur voluntarily submits his actions to the requirements of sustainable development, realizes the significance of risk reduction for ensuring long-term stable operation, does not set targets for rapid enrichment, does not commit commercial actions with unjustified risk.

It should be noted that the responsibility of business in procurement is a source of responsibility for the buyers — the trust of the buyer and society can be won only on the basis of the release of quality and adequate goods and services, implement social initiatives that accompany business development.

Thus, risk responsibility behavior of the entrepreneur on the procurement is one of the key elements of the development of a civilized fair business that is formed both on the basis of managerial competence and the institutional orientation of the business entity, which is expressed in following certain norms and rules of doing business, in the culture of entrepreneurship.

The risk responsibility behavior of each market entity is a condition for fair business behavior of all agents of the market system. An understanding of this relationship can be communicated to every market entity through marketing on the basis of the promotion of best commercial practices, building effective communication systems

with partners and consumers, strengthening the image and business reputation.

3. Ethic character of advertising in the establishment of a civilized market

It will not be an exaggeration to state that the manufacturer's hidden emotional attitude manifests itself in the form of advertising not only to the audience of consumers of goods, but also to society as a whole. The reverse influence which is already rendered by the producers of advertising content on the perception of entrepreneurs of the social conditions in which they conduct business is also noticed. Therefore, increasing the ethics of advertising produced on the domestic market is of great importance — how correctly and respectfully the company treats its customers and consumers as well as to existing values in society, when promoting its goods and services.

The practice of domestic and world advertising is full of examples where communicative means being on the verge of or going beyond the norms of decency are applied to achieve momentary effects of emotional impact and attracting the attention of potential customers. These means are the exploitation of sexual images, the use of obscene language, demonstration of inadequate behavior of characters of the commercials, maxims abusive for a part of society (for example, for those who do not purchase or do not use this product or service), etc. Even scandals arising around such advertising are considered by individual producers as a positive effect for the recognition and promotion of goods and services.

However, the use of such methods is erroneous in the strategic plan, as it damages the social and communication capital of the enterprise, since after the first effect and attraction of attention in the minds of consumers, there will be a conflict between the social norms and values perceived by them and the meanings opposed to them in advertising. Moreover, with the further development of such an advertising orientation, the entrepreneur will have to exploit the methods of shocking and socially unethical attraction of attention to himself/herself more actively, which can cause a much greater condemnation up to a boycott of its goods and services.

It should be noted that advertising practice is rich not only in negative examples, but can also present samples of messages to potential consumers, in which various values are actively used, referring either to socially-ideal (love of a neighbor, striving for a better life, freedom, morality, justice, patriotism, civil rights, etc.), or individual-material values (economy, efficiency, guarantee, reliability, protection, usefulness). Examples of advertising products include commercials which express: pride for the country; respect for parents; willingness to help; the desire for moral values (for example, the substance of a number of commercials of the MasterCard payment system is as follows — you can buy different things, but you cannot purchase kind attitude, human warmth — this is really valuable and the payment system does not pretend to be able to provide it, limited only by the ability to provide material components involved in achieving these values); striving for a

healthy lifestyle, etc.

There is no censorship in a free society and it is impossible to determine the scope of the advertising ethics (except for explicit demonstrations of obscene images of actions, texts, etc.) by means of any administrative influence. However, the lack of administrative and legal regulation does not deny the opportunity to form a vector of orientation to the ethical and positive content of advertising in the framework of activities of the professional community — content producers. On the contrary, the ability of advertising producers to independently form morally restrictive mechanisms, refuse to use shocking and provocative advertising techniques, focus on socially positive topics will all signify the maturity of the advertising market as an important social and economic mechanism for the macroscale, which is currently facing a new interesting task to support the processes of import substitution and switch the attention of the Russian consumer to their own producers.

4. Support for import substitution as a marketing task

External sanction pressure, taken countermeasures create a new macroeconomic environment which cannot be ignored in marketing work. Moreover, difficult economic conditions increase the critical attitude of consumers to each decision made on a purchase, while there are stereotypes of goods perception related to the country of origin of the goods. So, the most common stereotypes are the notions of high-quality goods produced “in Europe”, “in Germany”, “in Japan”, “in the USA”, “in South Korea”. “Goods from China” are given increasing qualitative characteristics. It is also possible to single out a positive stereotype “produced in Europe” for food, which is based on high confidence in the European system of quality control of food production.

Undoubtedly, these characteristics relate mainly to goods of industrial production and have grounds for the long-term operation of large industrial systems in these regions. However, it is already difficult to define the country of origin of goods in the modern global world, as well as to be guided by a similar stereotype for making a purchasing decision. At the same time, these stereotypes are stable and largely supported by negative perceptions about the qualities of domestic products which were formed on the basis of actually existing and partially preserved problems with the quality, functionality and design of domestic goods.

To focus attention on the study of the evolution of these representations, they should be formed as a group of “national and production stereotypes” that influence the decision of Russian consumers on a purchase. It should be noted that the notion of national and cultural consumer stereotypes and attitudes is widely used in marketing literature and refers to the allocation of various aspects of the lifestyle and lifestyle of the consumer. In this case, it refers not to the characteristics of the consumer’s life, but to the prevalent views in society, which significantly affect marketing processes, in particular loyalty. From this point of view, the existence of a certain

negative attitude towards the production activity of domestic producers is a significant obstacle to changing the loyalty of consumers to Russian products.

It should be admitted that quality problems in the national production system do exist and it is impossible to change the loyalty of consumers only by means of emotional impact and persuasion — comprehensive work on improving the quality of domestic products and changing its perception by consumers, reflecting realizable improvements in the minds of domestic consumers that can affect rational decision-making on the purchase is needed.

Conducting such work takes a long time, but a radical change in socio-economic conditions can create prerequisites for its large-scale development. Such changes include sharply changed foreign economic and general political conditions that led to the formation of import substitution policies. The task of filling the domestic market with high-quality domestic goods that do not yield to foreign counterparts emerges in the framework of this policy. It is a rather difficult task, since the closure of market access to foreign producers can lead to the opposite effect — a reduction in competition, imposition of low-quality domestic products and even a return to deficit conditions beneficial to the producer. In order to avoid these negative import substitution effects and getting to patriotic slogans, it is necessary to define clear guidelines for this work, namely, set a specific list of properties of foreign goods, their achievement allowing to talk about real, and not formal import substitution.

That is, large-scale benchmarking is needed in all areas of import substitution, which acts as a process of reorientation of domestic commodity producers to achieve consumer properties inherent in imported goods. As a part of such understanding of benchmarking, imported products are the level of consumer characteristics that should be achieved on import substitution, otherwise it becomes meaningless and comes to the monopolization of domestic producers, its negative experience already existing in a deficit economy.

Orientation to the best consumer properties of imported goods facilitates the task of reorienting customer loyalty to domestic products, as it appeals to the already known properties of goods and services, an understandable level of quality is obvious as much as possible for the consumer mind of both the buyer and the producer. Thus, the policy of import substitution from the point of view of marketing can be viewed as an independent macroeconomic measure — global benchmarking of the whole market of a particular country, assessment of the possibility of its transition to the world level of requirements for goods and services.

The key aspect of benchmarking is the identification of a group of compared criteria for goods and services. The same fully applies to import substitution — if the product is considered a worthy analogue of the imported sample, then it is necessary to confirm this estimate by comparing the main quality characteristics. Undoubtedly, such comparisons should be made taking into account the parameters provided by

the world's leading trademarks. In the framework of import substitution, benchmarking should be conducted taking into account the widest possible range of product offers, proceeding from the position that the import substitution policy is temporary, and the need to ensure national development in the world economy will be always relevant. Therefore, benchmarking conducted in the framework of the import substitution policy should be viewed as an independent large-scale system of comparative assessment of the ability of domestic goods to own a market share (even the share of the domestic market that becomes part of the world market) — as benchmarking of global competitiveness.

Such understanding of benchmarking is the basis for the development of import substitution in outpacing of import and the formation of a competitive domestic economy in the context of lifting import restrictions. That is, domestic producers need to focus not only on the quality level of goods produced in the country, but also on the parameters achieved within the entire world economy on these commodity items. Moreover, it should be emphasized once again that the bulk of such comparisons will be produced not so much with the above-mentioned leading brands from regions characterized by a high level of production — Europe and America, but with Chinese goods to a greater extent, their price and quality characteristics able to be achieved by domestic producers already in the medium term.

It is necessary to pay attention to the fact that such benchmarking is already conducted in the manufacturer's mind by consumers who have the opportunity to visit other countries and freely compare the price and quality characteristics of goods, as well as the processes of their servicing. Moreover, such shopping benchmarking is conducted not only during tourist trips, but also when shopping in domestic stores, where imported goods are largely presented on their shelves. Therefore, in order to implement effective Global Competitiveness Benchmarking, it is necessary to systematically develop its methodological foundations, identify the specifics of implementation, analyze the main differences compared to traditional benchmarking, including its organizational aspect, specify the results and forecast the main application problems. Carrying out this work will not only solve one of the tasks of macroeconomic development — promote the implementation of import substitution policies, but will also contribute to the development of the concept of macro marketing as a whole, since it embodies both analytical and practical marketing activities at the macro-level.

Once again, it should be emphasized that it is not so much formal theoretical constructs regarding the composition and structure of macro marketing that determine its concept, but rather wide application of marketing for solving macroeconomic problems, the analytical comprehension of which will allow to form an integral system of views on marketing opportunities to influence global economic processes. These opportunities are believed to only expand, which actualizes the tasks of conducting theoretical research and developing methodological approaches in the field of development of macro marketing that can contribute to the formation

of an effective sovereign market economy in Russia, which is a prerequisite for its competitiveness, a guarantee of sustainable and independent development of the country.

References:

- Braverman, A. 1996. Macromarketing gives guidance to investment policy. *Russian Economic Journal*, 11-12, 62-75.
- Braverman, A. 1997. Macromarketing in the Russian transition economy: methodology and practice. Abstract of the D.Sc. thesis, the Russian Presidential Academy of National Economy and Public Administration, Moscow, 58 p.
- Gamidullaev, D.B. 2012. Macromarketing in the system of management of innovative small business projects in Russia. *Innovative activity*, 2(20).
- Kotler, Ph. 1991. *Marketing essentials*. Moscow, Progress publ.
- Lambin, J.J. 1996. *Strategic Marketing: A European Approach*. SPb., Nauka, 589 p.
- Corley, T. 1987. Consumer marketing in Britain, 1914-1960. *Business History*, 29, 65-83.
- Fullerton, R.A., Nevett, T.R. 1986. Advertising and society: a comparative analysis of the roots of distrust in Germany and Great Britain. *International Journal of Marketing*, issue 5.
- Fullerton, R.A. 1988. Modern Western marketing as a historical phenomenon: theory and illustration. *Historical Perspectives in Marketing: Essays in Honor of Stanley C. Hollander*. Lexington, Lexington Books.
- Kaufman, C.J. 1987. The evaluation of marketing in a society: the Han Dynasty of Ancient China. *Journal of Macromarketing*, 7, 52-64.
- Savitt, R. 1980. Historical research in marketing. *Journal of Marketing*, 8, 44-52.