M. Zozulya



4th year student

of Management and Marketing Faculty of KhNUE

PROBLEMS OF UKRAINIAN BRANDS DEVELOPMENT

Annotation. The article deals with the creation and promotion of the company brand. The essence of the brand concept, the stages of creating and promoting brands and problems of Ukrainian brands are studied.

Анотація. Розглянуто проблему створення і просування бренда компанії. Досліджено суть поняття "бренд", етапи створення і просування брендів і проблеми українських брендів.

Аннотация. Рассмотрена проблема создания и продвижения бренда компании. Исследованы суть понятия "бренд", этапы создания и продвижения брендов и проблемы украинских брендов.

Keywords: creation of brand, promotion of brand, problems of brand.

Interest in branding in the world has increased significantly over the last few decades due to the trends of the world economy. Markets become more complex and more competitive. For consumers it is more and more difficult to understand a growing variety of similar products and services. The global spread of technology and knowledge now allows you to copy the competition and innovation to create products that are not inferior in quality to the best world standards. In the era of competitive products different functional properties and production technologies are underdeveloped. At the current stage of the economic development the process of differentiation is advertising and brand promotion. Long-term success in the market is possible largely due to brand recognition.

The purpose of this paper is to research what a brand is, how we can create and promote it, and to identify what problems Ukrainian brands have.

There are two approaches to the determination of the brand:

1. The objective and individual attributes: name, logo, and other visual elements (fonts, design, colors, and symbols) that distinguish the company or product from its competitors;

2. Image, reputation of the company, product or service in the eyes of customers, partners and the public [1].

The world "brand" is derived from Old Norse "brandr", which is translated as "burn, fire." It is necessary to distinguish between the legal and psychological approaches to understanding the brand. From a legal point of view it is only a mark indicating the manufacturer of the product which is subject to legal protection. In terms of consumer psychology, brands mean information stored in the memory of consumers. Sometimes, it is believed that the term "brand" is synonimous to the concept of "trademark". Previously, the term "brand" signified a trademark, but only a widely known one [2]. Currently, the term is used in the media as a synonym for "trademark", which, according to experts, is not quite correct. From the point of view of experts in the field of trademarks and lawyers specializing in the field of trademarks, the concepts of "brand" and "branding", strictly speaking, are legal concepts and terms used in the consumer environment to combine steps to promote products on the market. The concept of "brand", according to these authors, is a set of the copyright, trademark and trade name.

There are several steps to create a brand.

- 1. Goal setting.
- 2. Project planning.
- 3. Analysis of the current state of the brand (only for existing brands).
- 4. Market analysis.
- 5. Formulation of brand essence.
- 6. Brand management strategy.
- 7. Brand building integrated marketing communications.
- 8. Brand monitoring and evaluation of the effectiveness of actions.

Let us consider the problem of Ukrainian brands. In modern economy, when supply greatly exceeds demand, one of the scarce resources is access to the consciousness of the consumer. Brand provides high recognition among consumers and a positive attitude. It provides an opportunity to compete. We can say that to some degree brand helps to make money out of thin air, that is, of reputation. Ukrainian brands have started in 1999, and since then every following year has been marked

© M. Zozulya, 2013



by the emergence of new brands and a growing number of them are actively supported by the mass media brands. And it can be argued that many Ukrainian brands have faced with real problems. Therefore, this issue is now as relevant as ever. Priority is to determine the problems faced by local producers. So it is important to know the basic causes and be able to use all of the latest approaches to solve these problems.

The main problem is the same type of Ukrainian brands. Impersonality, similarity to the other – it is not just a problem, but the weakness of many Ukrainian brands. To overcome this problem, you need to have the brand with its character. In Ukraine, there is an acute problem of identifying and revealing emotional benefits and a strong brand character. Ukrainian brands have become brands, each of which has its own special character. And not just on paper, but in the perception of consumers. Just one of the main problems is the so-called "golden standardization" [3]. Most executives believe that the main feature of their products is their high quality. But, in most markets, the standardization of technology, greater control over the quality of ingredients and improved performance discipline have resulted in about the same quality. If it is not so, it will happen in the near future. And the fact that the brand is called "gold standard", which should be oriented at consumers turns into a standard set of physical properties of the product to consumers with a quite average list of requirements. Quality is not a characteristic of a self-sufficiency, based on which one can form a strong brand. But it is better not to create a brand of quality as the essential characteristics [4].

Much more promising is the development and brand building, based on the benefits that are exclusively by or nearly exclusively by characteristic of the product categories where there is a particular brand, or benefits, that are solely typical of the brand. Brand strength is directly proportional to features and distinct advantage, which is the basis of its positioning.

But Ukrainian companies do not always take into account the fact that when you create a brand, the benefits that belong to multiple product categories should be avoided. Otherwise, the gold standard may result in standardization, which is difficult to be called gold.

Ukrainian organizations should keep in mind that a brand is a complex phenomenon, the creation of which is usually accompanied by significant changes in the whole system of the company's business and that it makes sense to create a brand only if it can be a tool for successful business development. In order to develop the business brand, it is not enough to pass by the stage of development of the brand, which now stops many manufactures. Moreover, it is important to develop the brand based on an integrated positioning.

And it is important to strive to ensure that the core position was self-sustaining, or in other words, a self-extracting value. It helps to lay the foundational level, positioning and long-term success of the brand. At the present stage of branding in Ukraine it is particularly important, because the success of the economy without a strong brand is not possible.

In conclusion we can say that the brand is the name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers. The main problem is the same type of Ukrainian brands. And our brand is an acute problem of determination and expression of strong emotional benefits and a quite poorly addressed issue of some interesting strong brand character.

Наук. керівн. Беседовська Т. Б.

References: 1. Wikipedia. [Electronic resource]. – Access mode : http://en.wikipedia.org/wiki/Brand. 2. Marty Nyumeyer. Gap brand. How to build a bridge between business strategy and creativity / Marty Nyumeyer. – N.Y., 2006. – P. 192. 3. Kevin L. K. Strategic brand management; creation, evaluation and management of vintage capital / L. Kevin. – L., 2005 – P. 704. 4. Sledopyt. [Electronic resource]. – Access mode : http://: www.sledopyt.com.ua /misli/pusto/show_23_tipichnie-problemi-ukrainkih-brendov-i-vozmmozhnosti-ih/.