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# IMPLEMENTATION OF MARKETING AUDIT INTO THE SPHERE OF ELECTRONIC ENTREPRENEURSHIP

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## ABSTRACT

*The article states that modern market conditions require e-business entrepreneurs to evaluate rapidly their own market opportunities, the effectiveness of management decisions, and, also, the business value. The audit of marketing activity is made to evaluate it, as well as to search and formulate actions to remove bottlenecks in the internal marketing system. The article suggests an algorithm for conducting a marketing audit for business entities. It is proved that the goal of marketing audit is a comprehensive analysis of the business components, its economic activity sphere, and, also, research into the development of an entrepreneurial structure prospects. As a result of the marketing actions, a list of topical issues is being developed, which should be answered in order to identify the existing problems and to plan the ways of their solution by means of the marketing audit model. It has been determined that the*

*marketing audit process includes leading stages in studying the current marketing condition; assessment of the disclosed facts and preparation of recommendations on improving the marketing activity of the business structure. It has been proved that strategic analysis and audit in the sphere of e-business includes gathering of the most important information about the entrepreneur activity. This information consists of the aspects and data, used in the development of specific goals and the entrepreneur business strategy. It was determined that the audit consists of two main sections: internal and external audit. External audit, or audit of the entrepreneurial marketing environment, examines the macro environment and its tasks, while internal audit examines all aspects of the entrepreneur's activity in the field of e-business.*

**Key words:** business structure, entrepreneur, e-business, marketing audit, audit model, communication interaction

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## 1. INTRODUCTION

Due to the rapid changes in the international practice of e-business, entrepreneurs are forced to concentrate their efforts on finding new ways to attract consumers and realize effective communication interaction. Therefore, in the current context, marketing audit is becoming increasingly popular as a means of identifying problem areas, opportunities and measures to improve entrepreneurs activity. Marketing audit is a comprehensive audit study of the entrepreneurial marketing environment, which includes the assessment of its production and marketing activities, as well as the identification of problems and hidden potential, which is an obstacle to achieving the operational and strategic aims and obtaining the desired results. Marketing audit identifies areas of concern, new opportunities, and recommendations for improving marketing effectiveness.

## 2. NEED FOR THE STUDY

Marketing audit in the field of e-business activity, first and foremost, should investigate the electronic resources of the business structure and focus on the study of the following objects: current resource promotion strategy; placement of web resources in search engines; site specifications; quality of site design; web resources audience; ease of the site usage; competitiveness of electronic resources; the quality of data on the site, etc.

## 3. OBJECTIVES OF THE STUDY

A range of guiding works (Kotler, 2002; Loya, 2011) state that the correct positioning of an entrepreneurial structure in the market, connection and communication with consumers, suppliers, entry into new markets are all part of a successful marketing activity. The success of an entrepreneur's position depends on how effectively and productively the entrepreneur conducts marketing activities. In the works of (Gama, 2012; Schildge, 2006) it is stated that improvement of marketing activity, establishment of marketing priority development ways in the business structure is carried out by the means of marketing audit. The organization of entrepreneurial marketing activity consists of analysis and assessment of the marketing environment (marketing audit), setting goals, implementing development plans, as well as, obtaining and evaluating results. The first and important step is a marketing audit. Due to the

fact that, this development line of marketing activity is rather new, there are no clearly defined schemes and systems of marketing audit in the science. The universal schemes and methods used for marketing and strategic control do not take into account the specifics of the business structure to which they are applied (Clark et. al. 2006). Thus, the problem of marketing audit is not only theoretical but also practical.

#### **4. METHODOLOGY**

In the methodological aspect, we will rely on the following provisions: 1) the global spread of the Internet has influenced the process of managing the marketing activities of entrepreneurs, giving it an interactive nature and the ability to use personalized information, which creates the basis for forming an individual interaction between business entities and their partners, suppliers and customers, it also helps to optimize workflows, information sharing, it allows to extend, simplify and accelerate communication processes, reduce promotion costs and improve business development; 2) changes that have influenced the processes of marketing activity management, have created the basis for conducting a marketing audit of Internet resources on entrepreneurial business structures, and confirm its indispensable relevance.

#### **5. RESULTS AND DISCUSSION**

The main task of electronic resources marketing audit on a business structure is to provide effective usage of its marketing potential. We believe that the implementation of the Internet into the marketing business environment led to the intensification of his entrepreneurial idea, and also became an effective means of forming integrated communications and deepening individual connections.

One of the main advantages of doing business online is the reduction of the intermediaries in the chain "manufacturer - distributor - dealer - retailer - customer". In particular, Internet technologies are focused on improving delivery and sales mechanisms.

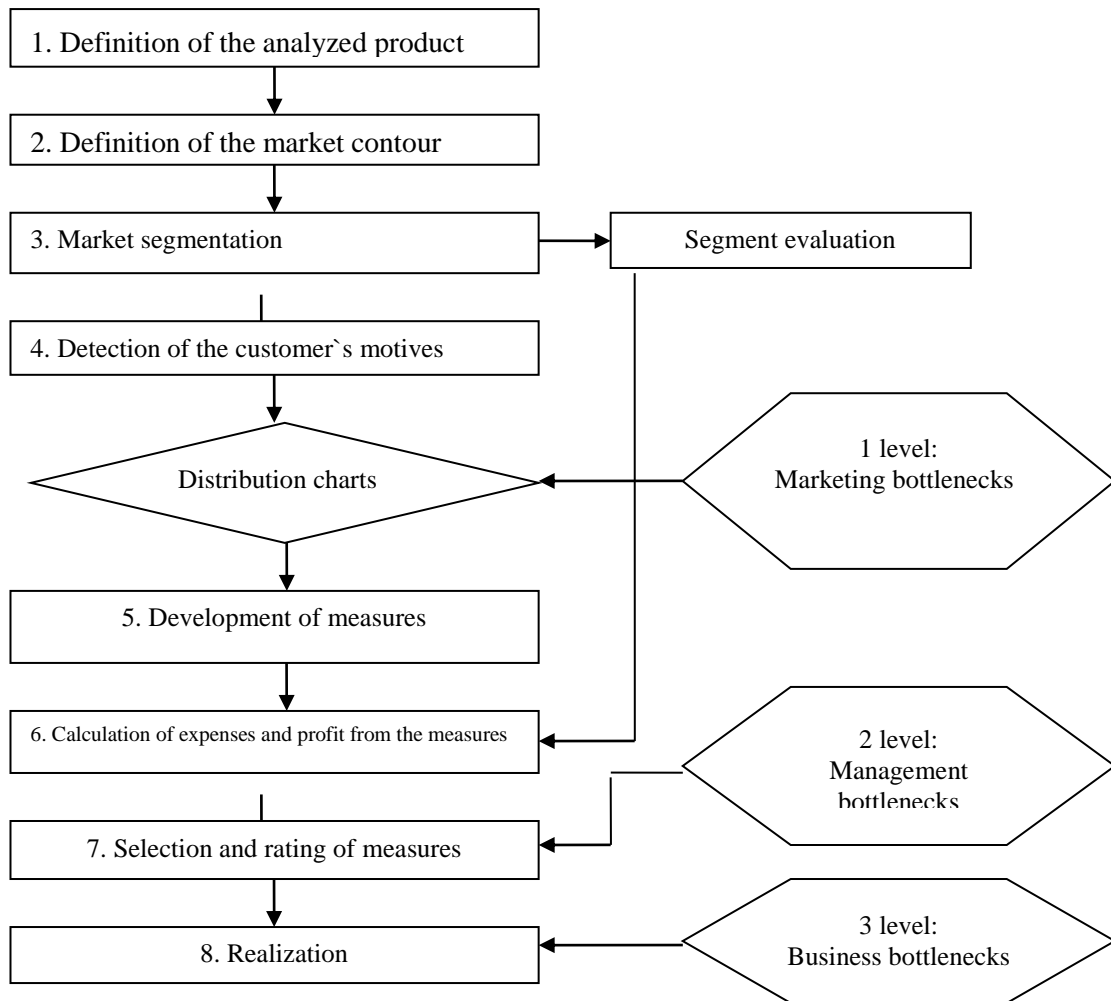
In general, electronic resources are a broad concept that still does not have a clear and precise interpretation. In our view, the most comprehensive is the definition of electronic resources as a set of pages hosted on the Internet that may include text, graphics, multimedia information and databases. The range of pages in electronic form must be gathered into a single navigation system hosted on an Internet server and be available to users.

Marketing audit is a set of measures to evaluate the marketing complex of the business structure. Its main goal - to identify bottlenecks in the industry that hinder the expansion (maintaining) of the existing goods market share. In other words, it aims at identifying market share growth reserves, assessing measures to use these reserves (Robbins, 2010).

The algorithm of marketing audit system for business structures in the sphere of e-business, based on market segmentation and differentiation of marketing complex for the needs of a specific segment is given below. It gives an opportunity to focus on the most significant aspects of marketing, aimed at attracting competitors' customers (Fig. 1).

The algorithm is represented in Fig. 1.

## Implementation of Marketing Audit into the Sphere of Electronic Entrepreneurship



**Figure 1** Directions of further actions according to a certain level of efficiency of implementation of innovative strategy of industrial enterprises development

1. Product selection. First of all, it is necessary to choose the product for further analysis. Different products cannot be analyzed at the same time.
2. Market selection. Secondly, the fields of application, sales geography and the task of analysis need to be clarified.
3. Segmentation. Market segmentation must be carried out on the basis of a marketing complex, that is, distinguish a segment of consumers group, in relation to which company applies the same set of marketing complex elements - the product (it should be noted that the notion "product" includes basic and additional benefits for the consumer (multi-level product concept), price, the promotion system and other attributes are important to the consumer (they are also called product properties, consumer choice factors, conditions, benefits). This method differs from regular segmentation, when the signs of segmentation are first identified, the mass of consumers is divided into segments, and only then a marketing complex is developed for each segment. Enterprise structure electronic resources provide a wide range of opportunities for their users: quick access to information about the business structure; search for necessary information regarding goods and services; advertising products, services and ideas; realization of purchase operations and sale of goods, services, information; getting acquainted with demo versions of certain products, etc. (Devos, et. al. 2014).

Website is a kind of interface between the entrepreneur and his stakeholders (partners, suppliers, clients). Thus, nowadays, creation of a website is considered to be one of the major tasks for every business structure.

Creating a site is an important element of business activity, and therefore entrepreneurs must determine the goals for which this resource is created and focus on achieving such functions: 1) advertising of information services and goods; 2) orders acceptance and processing; 3) payment for information services and goods; 4) purchase or sale of information services and goods; 5) delivery of information services and goods, etc. (Phan, 2002).

The website usually has a Content Management System (CMS). The main functionality of the site can be considered content management, as well as the functioning of interactive modules that help to interact and share information with site visitors, control traffic, manage advertising and analyze rapidly the availability of orders (Nanehkaran, 2013). The website of the business structure can be run in different directions, but the priority is to attract the maximum amount of visitors (potential buyers). Using one of the analytics systems, you can determine the number of views, the number of visitors, sessions, hosts, reloads, non-cookie views, average views per visitor.

In case of poor website performance, it is recommended to conduct a marketing audit of the website in order to identify the causes of the setbacks, during which the site is inspected from the point of view of its usability, analysis of the site audience, strategies for its promotion, evaluation of the resource's competitiveness (Drobyazko, et. al. 2019a; Drobyazko, S. et. al. 2019b). It is necessary to involve specialists who have the relevant knowledge, and are able to give a comprehensive assessment, check the ready web site. The marketing audit can be carried out by one or more employees of the business structure, or by a separate audit firm on the basis of cooperation type of cousing or outsourcing.

Website marketing audit involves performing analysis of the information quality, testing existing site services, substantiating your current resource promotion strategy, etc.

The special system of indicators is used during the process of conducting a marketing audit, which includes the following indicators: a) verbal (descriptive) indicators - used to describe long-term goals of an entrepreneurial structure or phenomena that are difficult to quantify; b) quantitative indicators - used most frequently and are divided into absolute, relative, index; c) qualitative indicators - used when quantitative characteristics are not used at all; d) universal indicators - not only used for marketing control, but also for a general analysis of the business structure (sales, profit, cost, revenue, loss, productivity, etc.); e) specific indicators - used to characterize specific marketing activities (Wilson, 2002). The most important, from an analytical point of view, we consider quantitative indicators that characterize the efficiency of using electronic resources on the entrepreneurial structure and have a clearly defined calculation procedure. The number of indicators used to determine site's performance may differ, given the specifics of each site, moreover, for each page of the site can be distinguished its own metrics. Therefore, it is important to build a particular methodology for evaluating the effectiveness of business structure activity on the Internet, which takes into account all the specifics of the electronic environment, giving the opportunity to focus on the narrow aspects of its web resources usage.

Implementation of electronic resources marketing audit should include the analysis of the macro- and microenvironment of the business structure, factors, threats and opportunities, also it should facilitate a comprehensive market analysis, assess the place of the business structure in this market, identify the most important areas of development, increase the marketing effectiveness (Wu et. al. 2015). The next step is the creation of the special report, based on the results of a marketing audit, which should reflect all the necessary marketing information in order to build a further development strategy (Table 1).

**Table 1** Contents of the marketing audit report of the business structure website

Section name	Considered issues
Introduction	<ul style="list-style-type: none"> <li>— description of site audit tasks.</li> <li>— evaluation of website design.</li> <li>— first impression about the site.</li> <li>— perception of the site (color, quality, compliance of the site design with the goals and tasks, compliance of the site design with the level of the customer's business, etc.)</li> <li>— matching the site design to the needs of the users.</li> <li>— usability of site texts (contrast, color, background, size).</li> <li>— convenience of site structure.</li> </ul>
Analysis of the textual information quality of the site, content	<ul style="list-style-type: none"> <li>— availability of necessary information for the user.</li> <li>— usefulness of information.</li> <li>— the possibility of an overview.</li> <li>— match the title to the content of the section.</li> <li>— analysis of the amount and content of texts.</li> <li>— design rules: types, titles, highlights, links, etc.</li> <li>— frequency of site content updates.</li> </ul>
Analysis of Internet resources of competing and related entrepreneurs	<ul style="list-style-type: none"> <li>— design and convenience of Internet resources.</li> <li>— availability and quality of online services.</li> <li>— introduced web-innovations, non-standard approach to site positioning.</li> <li>— analysis of information positioning.</li> <li>— approaches to internal advertising and product placement.</li> </ul>
development tips	<ul style="list-style-type: none"> <li>— testing of existing site services, quality evaluation of their performance.</li> <li>— recommendations for introduction of new sections on the site and their content.</li> <li>— recommendations for introduction of new standard and non-standard services.</li> <li>— recommendations for non-standard positioning of products and services.</li> <li>— recommendations for increasing site attendance.</li> </ul>
Site visibility audit of the site, implementation recommendations	<ul style="list-style-type: none"> <li>— general SEO recommendations.</li> <li>— tag analysis and recommendations for designing individual sections and pages in terms of search engine optimization.</li> <li>— analysis of the quality and quantity of external links of the site.</li> <li>— check indexed pages of the site.</li> </ul>
Site technical audit of the site	<ul style="list-style-type: none"> <li>— basic analysis of client web server errors.</li> <li>— quality analysis of the information introduced at the 404th error.</li> <li>— checking the titles transmitted by the web server.</li> </ul>

Therefore, further research in this area should be aimed at deepening the study of the marketing audit methods concerning electronic resources and the formation of specific recommendations for the organization of marketing audit in the business structures activities.

## 6. CONCLUSION

The practical implementation of a comprehensive methodology for marketing audit involves the analysis of the business macro- and microenvironment: threats and opportunities for the entrepreneurial structure, contributes to carrying out a qualitative and complete analysis of the market, assessing the position of the entrepreneurial structure on it, identifying priority development areas, evaluates the effectiveness of marketing activities. Based on the results of the marketing audit, a special report is prepared, which demonstrates all the necessary marketing data to formulate a further strategy for the development and preparation of marketing plans for the new reporting period. It is recommended to carry out the marketing audit process at least once a year, during summarizing the work of the previous reporting period and before making plans for the next period of business activity.

A complex system aimed at improving the marketing quality in the commercial activity of business structures, through the improvement of control and analysis of marketing activity was proposed in the scientific work. Combining several different methods in the system allows to get quality, objective results. The investigated method of conducting marketing audit can be used in continuous activity of entrepreneurs working in the field of e-commerce. The methodology is a clear and precise sequence of actions and measures by which the assessment, as well as identification of bottlenecks in marketing activities, development and implementation of measures aimed at active positive development of marketing activities are carried out.

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