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THE ROLE OF MARKETING IN SMALL BUSINESS

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Abstract: The role of marketing in the development and prosperity of small businesses in Russia has been examined in this article. The objectives of marketing, as well as the methods for promoting a firm in the most cost-effective ways is also discussed in the given article.

Key words: small enterprises, management in marketing, organization, profit.

The role of small businesses in the economy

Small businesses are an important part of the market economy. They contribute to the development of entrepreneurship, increase employment levels and ensure the market is supplied with essential goods and services. Thanks to their flexibility, small companies are able to adapt quickly to changes in demand, introduce innovations and meet the individual needs of consumers.

Small firms play a vital role in maintaining competition. Their sheer number prevents large companies from completely monopolizing the market. Furthermore, small businesses often serve as a source of new ideas and technologies, which subsequently become widely adopted.

Another key feature of small businesses is their ability to respond quickly to changes in the external environment. Smaller companies can adapt their product range, pricing strategies and marketing methods more swiftly in line with customer needs.

However, running a small business comes with a number of challenges. Limited financial resources, high levels of risk and an unstable market environment often hinder the successful development of companies. A particular problem is the lack of funds for advertising and product promotion.

The Importance of Marketing for Small Business

In the modern world, a business's success depends largely on the effectiveness of its marketing activities. Marketing is a management system focused on understanding customers' needs and meeting them with the aim of generating profit.

For small businesses, marketing is particularly important as it helps to:

- attract new customers;
- retain regular customers;
- raise the company's profile;
- build a positive image;
- increase sales;
- understand market needs;
- analyses competitors' activities;
- make effective use of limited resources.

The primary function of marketing is not merely to sell goods, but also to create value for the consumer. The buyer is not simply purchasing a product, but a solution to a problem or the fulfillment of a specific need.

Marketing-oriented businesses place great emphasis on studying consumer behaviour. This enables companies to offer precisely those goods and services that the market truly needs.

Key challenges facing small businesses

Despite the vital role of small businesses, many companies face significant difficulties in their operations. Among the most common challenges are:

• high levels of competition;
• limited financial resources;
• difficulties in obtaining loans;
• a shortage of skilled staff;
• high risk of bankruptcy;
• instability of the economic environment;
• difficulties in marketing products;
• dependence on suppliers and large companies.

For many small businesses, the issue of advertising and promotion is particularly challenging. Large organizations are able to invest heavily in marketing campaigns, whereas small businesses are forced to seek more affordable ways of engaging with customers.

Low-budget marketing

With limited budgets, small businesses actively use low-cost promotion methods. One of the most popular approaches is 'guerrilla marketing'.

Partisan marketing involves the use of inexpensive yet effective methods of advertising and promoting goods or services. The main aim of this type of marketing is to attract customers at minimal financial cost.

Methods of low-budget marketing include:

• promotion on social media;
• customer recommendations;
• loyalty schemes;
• promotions and discounts;
• affiliate programmes;
• email newsletters;
• participation in trade fairs and events;
• creating useful content;
• viral marketing.

The advantage of such methods lies in their accessibility and the ability to engage effectively with the target audience. Even a small company can achieve good results through the skillful use of marketing tools.

Key marketing objectives

For a business to operate successfully, it is essential to develop a marketing strategy. This involves a number of key objectives.

Analysis of consumer needs

The company must determine which goods or services customers require. To do this, it studies customer preferences, the level of demand and the characteristics of consumer behaviour.

Market segmentation

The market is divided into distinct groups of customers with similar needs. This allows the company to select its target audience more precisely and develop effective promotional methods.

Market attractiveness assessment

The company analyses market size, the level of competition, growth prospects and the profitability of various segments.

Competitiveness assessment

The company examines its strengths and weaknesses in comparison with competitors. This helps to identify the company's strengths and improve the quality of its products or services.

Developing a marketing strategy

The organization determines how to promote its goods and services, selects advertising channels and draws up a marketing plan.

Monitoring marketing activities

Once marketing activities have been carried out, their effectiveness must be assessed. Analyzing the results helps the company to adjust its strategy and improve the effectiveness of its advertising.

Modern marketing tools

Today, marketing is developing rapidly due to digital technologies. Small businesses are increasing their usage of the Internet and social media to promote their products.

The most popular tools in modern marketing are:

- SMM (social media marketing);
- contextual advertising;
- email marketing;
- SEO website optimization;
- content marketing;
- online advertising;
- CRM systems for customer management.

The usage of digital technologies enables companies to engage with customers more quickly, analyze their behaviour and improve the quality of service.

Conclusion

Marketing therefore plays a vital role in the development of small businesses. In a highly competitive environment, it is effective marketing that helps businesses attract customers, generate sustainable demand and increase profitability.

Despite limited financial resources, small businesses can successfully utilize modern and cost-effective promotional methods. Focusing on consumer needs, regular market analysis and the use of effective marketing tools enable companies to strengthen their position and thrive in the market environment.

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