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**INTERACTION OF DIFFERENT FORMS OF CAPITAL
AND MANAGEMENT ENTERPRISE VALUE BASED MARKETING
AND LOGISTICS INSTRUMENTS**

The influence of different forms of capital in the process of formation of value in the market and proved the need for marketing and logistics tools for its growth.

Key words: capital, marketing activities, logistics activities, economic value added, market value of the Company.

Problem statement. The forms of financial and economic relations being diverse nature are changed through the use of new technologies: capital management, trademarks, market penetration, regulation of logistic (material, information and financial) flows on a global scale, increase of the fictitious capital impact on the existing and potential investors' behaviour patterns and development of influence of the management and political rule intellectual power on the industrial, consumer and financial capital.

The analysis of the foreign monetary capital covering with the material resources and property, withdrawal of the foreign capital from economy of Ukraine and obtaining high rents by the capital movement mediators – all such phenomena suggest that the value formation processes cannot remain out of the economic, technological, moral, financial and political dependence on post-industrial countries.

The strategic analysis of the external environment factors influencing the development of the capitalization processes and enterprise's value including its types, as well as of the marketing and logistics non-financial indicators, enables the content enrichment of the problems in the system of value-oriented management at the enterprise's different structural levels and regional economy ("business units, business processes, business system"), which requires a comprehensive scientific analysis of the given problem.

Analysis of the recent research and publications. The interaction between the capital different forms was grounded by Bourdieu who considers the economic capital to be the basis of such formation [1]. In modern Western economics capital is treated as a welfare of long-term usage created by man to produce other goods and services, and all forms of companies' profits are a certain result of the advanced capital movement and interaction of the factors of production whose usage efficiency in the environment of the post-industrial society greatly depends on the knowledge and IT technologies (capital encompasses knowledge and information).

The principal issue in the system of value-oriented enterprise's management is that of arranging the approaches to the essence of the enterprise's value and principles of its formation consistent with the interests of the owners [2], i.e. with the investors' benefits.

Due to profound understanding of the business fundamental philosophy and not just to the ways of making a maximum profit, some U.S. companies as J. Collins and J. Porras note have become durable and have successfully worked in the international markets for over 100 years [3]. According to them, the fundamental creation is the company itself, and the company should cease to be regarded as a driving mechanism for goods and understand that goods are the driving mechanism for the company; in this is the principal difference between “‘telling the time’ and manufacturing watches”, between the passive and active position of goods producers.

When considering the development problem of the enterprise’s value fundamental formation principles, the opportunities relating to the value begetting chain schematization should be analysed. The nonlinear nature of the capitalization processes and the related processes of structuralization may be explained by increasing complexity of the stock market regulation mechanism, existing optional pricing models, growth and rearrangement of logistic flows in the open economy of Ukraine, high dynamics of behaviour patterns of producers and consumers and, accordingly, the internal and external transaction costs, introduction of new state regulation leverage of the branch and market power concentration [4-8, 10].

A significant part in the system of the value-oriented management principles is played by the social and ethical marketing whose actual introduction in the management practices runs against the incompatibility between the social goals, interests of advertising companies and bureaucratic constraints of shareholders whose behaviour is dictated by their own equity growth objectives, which narrows the alternatives for the search of the value formation new sources required for the creation of an innovative enterprise [9-11]. The theory of U.S. Nobel Laureate Kenneth Arrow, the so-called theory of Arrow’s paradox, proves the impossibility of derivation of a social utility criterion, which would exclude the possibility of manipulating public preferences.

Each enterprise is characterized by specific choice of evaluation methods and concrete content of the value formation principles, which are thoroughly described in the works [2, 5, 6, 11], and such choice greatly depends on the enterprise’s development prospects determined on the basis of marketing and logistics for various business cycles of economy and industry [10, 12, 15].

Determining the previously unresolved aspects of the general problem. As the global and domestic practices show, pending the recent decades the object, spacial and temporal base of evaluation was being substantially changed in the system of value-oriented management (in quantitative and qualitative perspective) since privatized and sold and purchased may be: tangible and intangible assets, production capacities, databases compiled of information from the public and government sources, copyrights, business plans and results of market research, trademarks, patents, archival information, socially significant services, quotas on emissions of harmful substances into the environment, etc. All such objects of transactions in a lesser or greater degree reflect the new economic space in the domestic and foreign markets, where the enterprises’ business activities unfold and the problem of their value forma-

tion and growth in the competitive environment with the extensive use of the marketing and logistics tools is actualized.

The objective of the article. The investigation of capitalization processes by studying the forms of the capital interaction in the domestic and foreign management practices and substantiation of marketing and logistics practical value in the formation and management of the enterprise's market value.

Statement of the main material. The enterprise's value is considered in the context of assessments made in the capital market, and, correspondingly, the management through cost is based on its evaluation in terms of expectations regarding the future revenues resulting from the capital different types interaction and certain associated risks whose reduction is impossible without identifying the long-term value formation various alternatives by means of marketing and logistics.

The emergence of various new types of capital should be considered as a result of dialectical interaction between the productive forces and production social and public relations at the national and international levels reflecting:

- the development of economic and non-economic relations in the society (social capital) and emergence of new revenue formation sources processes due to the introduction of the partner marketing concept (client's capital); the structure and functions of the producers should be considered in view of certain limitations in setting the objective – conditions of intellectual capital and client's capital development, which requires a more critical attitude to the choice of the special and temporal range and functional spheres of efficient use of methodical tools, in particular, SWOT- analysis, and function and cost analysis (FCA) in respect of the business systems and individual business units efficiency assessment;

- intellectual capital: it is important to emphasise the benefits that are most significant for the society (including the outcomes of the scientific and inventive activity), various ideas relating to ecologization and socialization of economy as an impetus for synthesising the theories of macro- and micro-economics in the evolution of the modern marketing and logistics systems characterized by the growing influence of the social and political relations on the capitalization processes development;

- human capital – the knowledge, skills and abilities of man that improve labour productivity and may be the source of future income;

- financial capital that appears due to the banking and industrial capital consolidation and becomes an independent institution of the market system (the activities of such institutions as stock exchanges, holding companies, conglomerates, banks, investment and insurance companies, pension and mutual funds, etc.); the financial capital in the form of securities combines private capitals, cooperates them and accelerates the intra- and inter-branch cash flows;

- the stock and social-and-stock capital provide for the concentration of the global resource base and industrial production in the "hands" of corporations, territorial expansion of monopolistic structures through the introduction in the national practice of corporate management principles and legal framework for the new forms of property (including the stock one); being

characterised by an exceptional ability to penetrate other forms of capital and seize them, the stock capital creates the prerequisites for the processes of merger and corporations absorption (M&A);

- the fictitious capital (which includes securities-stocks, bonds and other securities that are traded on the stock exchange and whose market value is much larger than the actual or real capital); there shows a tendency to significant growth of the fictitious capital in the conditions of financial debt world crisis, which increases the gap between the potentials of the world economy financial sphere and the natural or real economy of individual countries and results in the increased mobility of short-term foreign capital and its impact on the capitalization of logistics centres and marketing structures;

- the institutional capital social structure is comprised of the financial, institutional and ideological bases; under the influence of the basic and derived institutions that acquire the form of the informal and formal norms and structures (regulations, traditions, standards, guidelines or rules), changed is the strategic importance of the institutional capital in the economy in the conditions of the global crisis aggravation (the emergence of a new institution of mortgage debt and pledge) and in the innovation economy, where knowledge act as an economic asset or resource (economic entity competence) and as a product (innovation); new global systems of marketing and logistics management with an appropriate institutional structure of their regulation are being formed, the institutions of demand and supply in the conditions of business globalization are being transformed, the ratio between the human and classic financial capital is being changed, the revolution is happening in the property relations – the owners are gradually losing control over production, and the role of intellectual labour of the managers, marketers, logisticians and technicians in the management of the capitalization processes and economy of knowledge is being increased.

Strong interaction of different types of capital requires the reorientation of the marketing and logistics practice towards the formation of key technological competencies for scientific and technological progress acceleration, which results in the augmentation of the intellectual capital [2, 10] and the education of the future, not yet identified target consumer, and a “no-consumer” production strategy is developed on the basis of achieving the highest level of consumption of the marketing and logistics services – through the corresponding corporate, social, energy, environmental and other standards.

The research of the problems of the enterprise’s value management provides that their correct definition requires the observation of the following important principles:

- all key factors should be examined in consideration of the financial and non-financial or operational parameters and the latter must have an advance nature, i.e. prevent the negative trends or emergence of more stringent restrictions;

- the cost factors should reflect both current activity and long-term growth prospects, which requires the development of the appropriate design parameters of the marketing and logistics strategies;

- the cost factors should be detailed for each of the organizational levels of

the enterprise with the relevant priorities as to the different cost factors by the temporal characteristic and taking into account the social, environmental and other restrictions;

- the possibility of “continuation” of the value should be determined by the marketing and logistic growth potential through the use of the option models including those related to real options and so-called “switch-over” option - the rights of suspending the relevant projects, their termination, recovering the previously “frozen” ones, etc., which all together determine the possibilities of income generation.

Since the key factors of the enterprise’s capitalization are economic profit and capital weighted average cost, the commercial and finance markets including the stock ones generate threats and opportunities for business revitalization, which may radically and within a short period of time change:

- leading positions of the major business players concerning their capitalization level;
- key risk factors of the introduced logistics and marketing projects, and the level of the risk premium;
- structure of financing sources and cost of debt capital, especially in the conditions of the systemic crisis in Ukraine;
- business partnership system, the level of marketing leverage and timing of the business financial stability;
- priorities and criteria in selecting strategic assets for investments in marketing and logistics;
- internal factors coverage “zone” and the factors of external environment, and, accordingly, the ratio of the guided and unguided factors as the effects of the market power redistribution and state regulation of the branch market;
- level of transaction costs on the basis of integration/disintegration processes; creating new barriers on the way of the branch entering or withdrawal from the market;
- type of market state, market pricing on the market and price elasticity of the branch demand.

It should be noted that the movement of each type of the capital will form its specific structure of the enterprises’ qualified marketing and logistics assets with different interaction segments of the stable and flexible internal structures as the economic space of formation of various types of values: investment, economic, equity, consumer ones, etc., which will significantly affect the market multipliers (see Table 1.).

As it is seen from the data of Table 1 the market value the Pharmacy Chain 36.6 is 6 times as small as the Balance Sheet value due to the possible interaction of different options: the company is not able to consistently generate net income; domestic drugs cannot compete with the imported ones; domestic pharmaceuticals of RF is bound by state contracts, which restrains the growth of profitability; there is high corruption in the branch or the exchange assessment of the assets value is not objective.

By means of the client presenting the innovative investment goods on the market the attractiveness of the vendor supplier is increased and the economic

Table 1

**Deviations in Assessment of Balance and Market Value
of Russian Pharmaceutical Companies**

Company	Capitalisation according stock exchange data as at 16.11.12	Accounting data as at the end of 2011, thousand Russian roubles			Multipliers			Profitability	
		Net profit	Proceeds	Assets Balance Sheet value	P/E	P/S	P/BV	Net profit/proceeds, %	Net profit/assets, %
Institute of Stem Cells	985,875	20,943	262,076	980,648	47.07	3.76	1.01	7.99	2.14
Pharmacy network 36.6	3,600,450	-288,000	21,594,000	21,867,000	-12	0.17	0.16	-1.33	-1.32

Accounting data according to RAS [<http://smart-lab.ru/blog/88181.php>]

space where the intellectual products are disseminated is changed. E.g. new products for probiotics for pharmaceuticals are actively presented in the global markets, which requires more profound research into pharmaceutical companies' compliance with social standards.

Thus, economy must be transformed from the capitalized into socialized and intellectualized one, which signifies a qualitative turn in marketing and logistics, in business motivation and evaluation of enterprise's value formation sources.

One of the general interpretations of an enterprise's value is expressed by J. Martin and J. William Petty: "The company's value is the current value of the future free cash flows from the existing assets plus the value of growth opportunities" [7, p. 51]. Such understanding of value directs towards the purpose-oriented identification of the interconnection between the corporate value (CV) and new strategies for logistics and marketing development accepted for implementation (see Fig. 1), encourages the search for new tools for measuring the strategic opportunities of the free cash flows (FCFF) growth, the weighted average costs of capital (WACC) and the rate of the company growth (g):

$$CV = FCFF_{t+1} / (WACC - g)$$

Evaluating the pros and cons of (FCFF) we identified and described in [11, p. 45] the characteristics and features of the enterprises concerning which the model of discounting free cash flows of an enterprise can most adequately describe the development of economic phenomena and the value creation processes. In a similar way, the ratios of reinvestment in the development of the enterprise as an important variable of (FCFF) model will also vary depending on the overall rate of economic development, prospects for the marketing networks and logistic centres development and diversification of the financial capital and its clients technological capacity development as the expected growth rate (g) in their simplest expression is the product of the capital reinvestment coefficient and return on capital.

Formation and realization of the enterprises' value in the course of their logistic and marketing activities will depend on how wisely its resources are focused on the core functions and operations in the integrated logistics flows, which direction of the joint evolution with business partners enables long-term value formation and stimulates the search for innovative value sources that determine the success in the given business and logistics infrastructure. If the distribution of resources of the given enterprise is similar to the distribution of resources and productivity of their use by the competitors, then the problems with maintaining the competitive advantages based on the cash flows generation will arise.

At the turn of the century quite rapidly accumulated are the complex problems of the transformation of the additional marketing and logistics costs caused by external factors into the internal costs of production, which requires their timely integration in the market pricing. Hence, in the conditions of the social and environmental crises exacerbation the formation of social institutions and values, mechanism of state regulation of the branch markets and monopolistic structures to ensure efficient operation of commodity and equity markets acquires great importance.

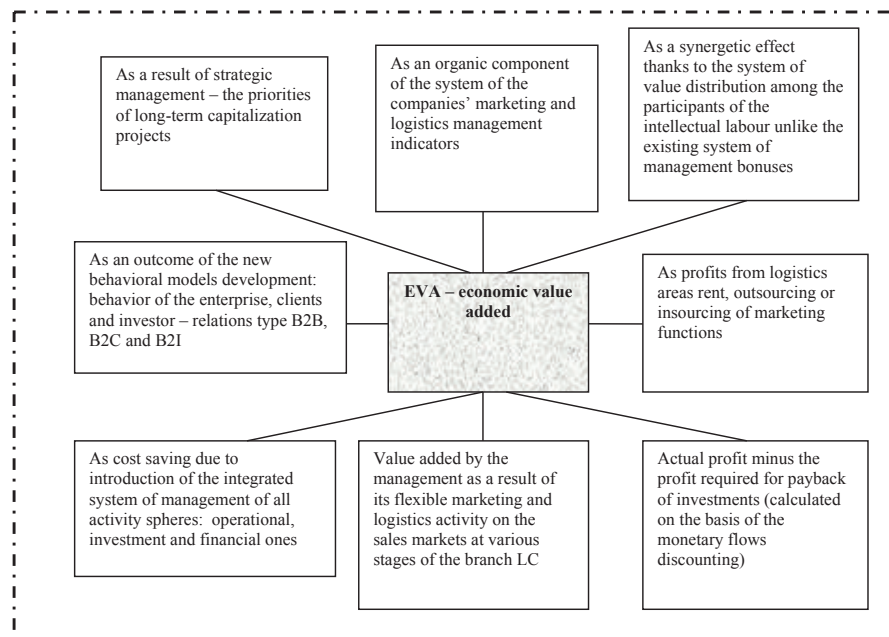


Fig. 1. Reflection of the economic value added (EVA) indicator in the logistics and marketing activity of the enterprise

Source: author's elaboration

The low base rates of Ukrainian economic growth and the budget constraints intensify the adverse effect on the marketing and logistics solutions implementation, create new trends in the economy capitalization change and work out the mechanisms of economy stimulation with the rates approaching zero.

At the start of the 21st century the impact of the marketing on the society is ever more criticized due to the fact that manufacturers and their intermediaries acquire quite flexible mechanisms of activity motivation enabling them to: save money on investment and innovation in taking environmental actions, which leads to pollution of the environment, create cost-effective products, false values and promote consumerism or abuse political power resources when expanding markets.

The system of management and product distribution planning permitting the situation to be not only made allowance for, but also to be governed, requires improvement in logistics and marketing. American scientist A. Damodaran and other researchers [13-15] concentrate the managers' attention on the need to test the market efficiency, research the "drivers" of value, information limitations and tools and methods for assessing various assets. European integration processes reduce the benefits of the tariff pricing, increase the pricing flexibility and the elasticity of the goods substitutes, and change the patterns of the goods relative prices and production factors. Early assessment of the resource required by marketing and logistics provides information on trends and market motive forces, improves the quality of strategic planning and makes its implementation more plausible.

In recent years the activity of the Ukrainian companies in buying the foreign transportation companies (due to the rising fuel costs for the purpose of optimizing the production costs of organizing holding companies) has been revitalized and the risky operations are performed by investment companies, which do not separated their means from those of their clients, shift the risk of loss to the client and appropriate guaranteed profit.

Conclusions and particular lines of further research. The speed of the material and financial flows, high intensity and deep penetration of the flows of the goods, services and information, high-class transfer professional with useful business ideas – all these phenomena lead to increased interaction between different types of capital and increasing interdependence of enterprises as the objects and subjects of the capitalization, socio-economic and technical processes management, therefore, their marketing and logistics strategies will determine the new objective laws of the value creation long-term sources formation. Research of the value formation chain requires a more profound understanding of the enterprise's nature as a socio-economic system and provision for the optimal proportions between the physical, human and natural capital in accordance with the strategic social values.

Each entity and region should have their own set of key parameters and "their tree" of value factors. The need to ensure the progressive changes in the social structure stimulates the search for innovative and environmental decisions in the marketing and logistics system in order to increase the capitalization of the economy.

The growth of the domestic enterprises capitalization by means of marketing and logistics and legal safety of the domestic business development pending the progress of the logistics infrastructure and marketing networks should be considered to be an important prerequisite for ensuring the national security of the open economy of Ukraine accompanied by the growing gap

between the value of the real and fictitious capital, which fact is evidenced by both the financial crisis in the world markets and disguised investment schemes of intermediaries in stock rates manipulation, their denomination for the purpose of reducing the minority interests and their participation in the profit sharing.

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**ДОСЛІДЖЕННЯ ВЗАЄМОДІЇ РІЗНИХ ФОРМ КАПІТАЛУ
І УПРАВЛІННЯ ВАРТІСТЮ ПІДПРИЄМСТВА НА ОСНОВІ
МАРКЕТИНГОВИХ І ЛОГІСТИЧНИХ ІНСТРУМЕНТІВ**

Досліджено вплив різних форм капіталу на процеси формування вартості підприємства в умовах ринку і доведено необхідність застосування маркетингових і логістичних інструментів для її зростання.

Ключові слова: капітал, маркетингова діяльність, логістична діяльність, економічна додана вартість, ринкова вартість підприємства.

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**ИССЛЕДОВАНИЕ ВЗАИМОДЕЙСТВИЯ РАЗЛИЧНЫХ ФОРМ КАПИТАЛА
И УПРАВЛЕНИЯ СТОИМОСТЬЮ КОМПАНИИ НА ОСНОВЕ
МАРКЕТИНГОВЫХ И ЛОГИСТИЧЕСКИХ ИНСТРУМЕНТОВ**

Резюме

Исследовано влияние различных форм капитала на процессы формирования стоимости предприятия в условиях рынка и доказана необходимость применения маркетинговых и логистических инструментов для ее роста.

Ключевые слова: капитал, маркетинговая деятельность, логистическая деятельность, экономическая добавленная стоимость, рыночная стоимость предприятия.