

MARKETING ACTIVITIES DURING THE INNOVATION PROCESS: INTERACTION OF RESEARCH AND DEVELOPMENT

Contemporary companies adhere to a concept of marketing innovation during the search and selection of promising innovative development directions. This concept refers to activities aimed to find new areas and ways of using the company's potential and develop. New products and technologies which will be manufactured and promoted to the chosen market with a view to meet customer needs more effectively than competitors do it. So this can provide a solid way of making profits, ensuring the long-term survival and company's development on the market [1].

Here are the basic principles of marketing which are used during company's innovative activities:

1. focus on achieving the final result of practical innovations;
2. capturing a market share according to a long-term purpose of the innovation project;
3. integration of research, production and marketing activities in to company's management system;
4. focus on the long-term perspective which requires careful attention to forecasting research which will be the basis for innovation development, providing highly productive economic activity;
5. applying of mutual and interdependent strategies and tactics to active adaptation to the requirements of potential innovation users with a concurrent deliberate action on their interests [2].

These marketing innovation tasks show that effective management of product innovations requires constant interaction of research and development sphere (hereinafter R&D) and marketing activities (Fig. 1). Market orientation of innovative development gives company the ability to respond instantly and flexibly to any changes of dynamic environment, especially unstable one. This ensures the organization with a stable gained competitive position on the market and minimizes the risks in terms of innovation development.

The company is an open system and constantly operates under the influence of the environment, the development process of an innovative product should take into account both the internal and external environment in which the organization operates. So if the company wants to make an innovation development process more effective and less risky, it should consider such as factors market potential, customer needs and market demand. It is well known that any radically new

product gets an innovative status only if it has been held the commercialization process, so it's not desirable to focus only on R&D during the product development, because it increases the risk of entering the market with a product that will not meet the needs of the consumer. Therefore, the company will be able to achieve its goals (increasing efficiency, maintenance of economic stability, etc.) only if the full integration of marketing and R&D will proceed during the whole process of innovation development.

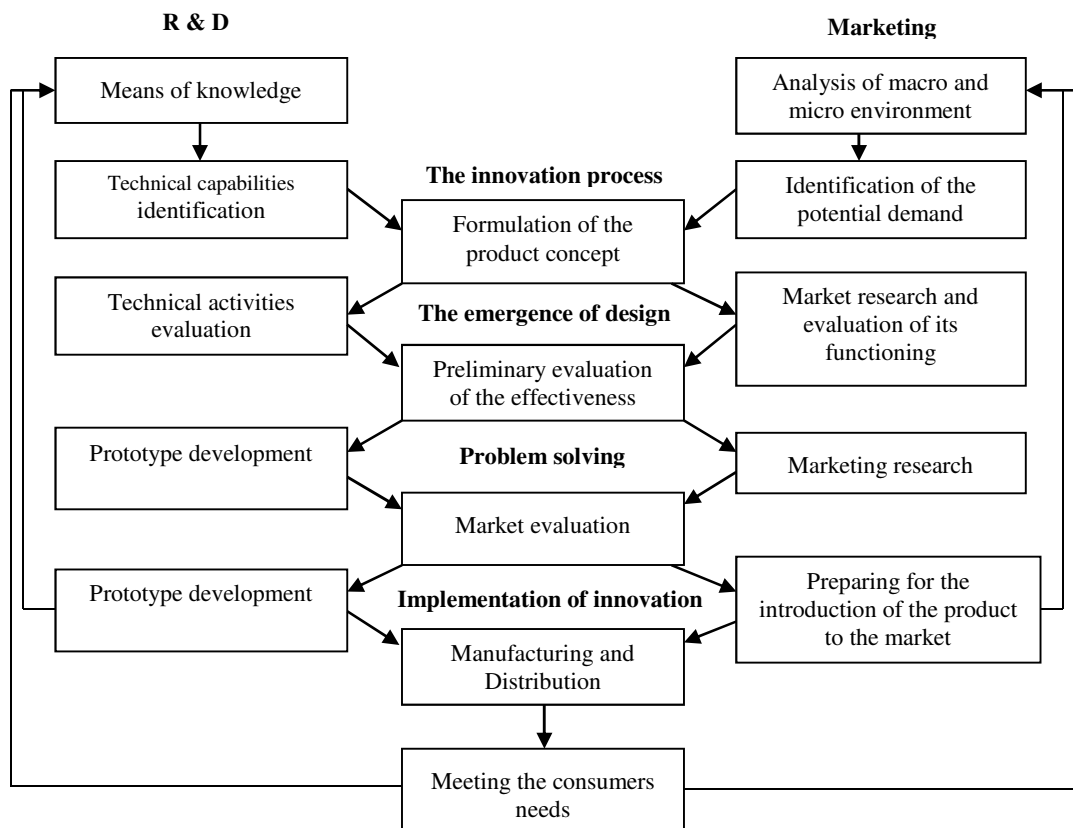


Fig. 1. R&D and marketing Interaction in the innovation process [2]

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