

International Business Strategy: Ensuring Enterprise Stability Amidst Turmoil

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ABSTRACT:

The study determined stages of the formation of international marketing strategies in modern conditions of globalization were considered, and the classification of the goals of entering international markets by Ukrainian enterprises in the conditions of war was carried out. Approaches to forming international marketing strategies for Ukrainian enterprises, which carry out economic activities in war conditions, have been developed. The advantages and disadvantages of various international marketing strategies, which should be taken into account by domestic enterprises when choosing strategic directions for the development of international activities, are determined. The procedure for choosing an international marketing strategy for the business development of domestic enterprises is substantiated, and a graph-analytical model of the process of making a management decision on choosing a strategic direction for the development of international activities of Ukrainian enterprises is proposed. To demonstrate approaches to the selection of international markets for assessing their convergence, the following indicators have been defined: GDP per capita, purchasing power parity, inflation rate, corruption rate, rule of law index, carbon dioxide emissions, natural resource income, agricultural value added, food production index, business freedom index, and industrial value added. The results of a comprehensive study have led to the conclusion that the markets of Germany, Ireland, Sweden, Denmark, Belgium, the Netherlands, Austria, Finland, Luxembourg, and France have favorable conditions for the strategic development of international activities of Ukrainian enterprises in them. It has been determined that the markets of Slovenia, Malta, Czech Republic, Portugal, Italy, Lithuania, Cyprus, and Spain may become promising for the strategic development of international activities of Ukrainian enterprises, provided that a significant gap in their main indicators is overcome, namely: "Control of Corruption" and "Rule of Law Index".

Keywords: strategic directions of international activity development, business sustainability, international marketing strategies, model of the management decision-making process, new offers in world markets, integration into the world economy, assessment of market convergence, business freedom index, industrial value added

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1. Introduction

The complexity and instability of the marketing environment in which domestic enterprises operate, threats and challenges associated with the difficult geopolitical situation, and the changing global economic environment force entrepreneurs to look for new industries and promising areas of development not only in the domestic but also in international markets.

The need for Ukrainian enterprises to apply new approaches to management was exacerbated during the difficult crisis period in Ukraine in 2008-2010 and became more acute in 2014 due to the emergence of political, economic, and banking crises, which caused negative synergies.

The war in Ukraine, which began in 2022, has added a frightening and dramatic environment to Ukraine's political, economic, and social life, caused suffering for many people, and has serious consequences for the Ukrainian economy and the country as a whole.

To prevent the above-mentioned negative phenomena, Ukrainian enterprises need to use more effective business management tools in international markets. To strengthen their competitive positions, both domestically and in international markets, companies apply marketing approaches to managing their business activities. The importance of choosing strategic directions for the development of international activities of enterprises is significantly increasing during the implementation of promising global projects due to the intensification and rationalization of domestic enterprises in the international business environment.

The development of international activities of Ukrainian enterprises is an extremely important strategic goal, especially during the war in the country. To achieve this goal, enterprises can use different strategic directions:

- Export of goods and services to international markets. Expanding the range of products and searching for new markets will contribute to the increase in sales and the competitiveness of the enterprise.
- Participation in international exhibitions and fairs, which will attract the attention of potential buyers and partners, as well as learn about new trends and competitors in the market.
- Developing international partnerships. Entering into agreements with foreign companies will help open up new opportunities for cooperation and business development.
- Implementation of innovations. Modern technologies and innovative approaches will help to occupy a niche in the global market and increase the company's competitiveness. These strategic directions will help Ukrainian enterprises to successfully expand their international activities and take strong positions in international markets.

In the conditions of war, Ukrainian enterprises should choose a strategy for development on international markets based on the principles of courage, innovation, and adaptability, and choose a strategic direction for the development of international activities based on the results of a marketing analysis of the external environment, internal

resources and competencies, definition of mission and goals, assessment of risks and opportunities to the adaptation of the development strategy to changes in the environment.

Obviously, before determining the strategy of international activities, it is necessary to analyze the external environment, including political, economic, social, technological, environmental, and legal factors. In addition to the external environment, it is necessary to take into account the internal capabilities and limitations of the company, its resources, technologies, and experience, and it is also important to define a clear mission and goals of the company in the international context, which will determine the strategy of development choices. Deciding on the strategic direction of development in international markets should be based on the risks and opportunities that arise in the external environment. The international market is constantly changing, so it is important to have the flexibility and ability to adapt the development strategy to changes in the environment. These principles will allow Ukrainian companies to make informed decisions about their development strategy in international markets.

2. Literature Review

An important part of developing strategic directions for the development of international activities of enterprises during the war is adapting to changes at the political, economic, and socio-cultural levels, maintaining business sustainability, and searching for alternative markets. It is important to consider possible risks and changes in international legislation, as well as the involvement of new partners in cooperation and the development of backup strategies to ensure stability in difficult conflict conditions, taking into account logistical obstacles that may arise due to unstable conditions, and security threats, planning effective supply routes, ensuring continuity of the supply chain and reduction of the impact of possible restrictions on the international operations of the enterprise (Kovinko O. M. (2017).

Generalizing the scientific views of national and international scientists, we can summarize that all international marketing experts speak of the importance of developing key headings for the improvement of worldwide activities of enterprises by analyzing external and internal influences, studying the needs and features of international markets, planning international marketing and communications, identifying competitive advantages and strategies of interaction with partners and customers.

Experts in the field of international business who have practical experience working with companies operating in markets where military actions have taken place, express the opinion that it is essential for Ukrainian companies conducting business in the context of war to take into account political, economic, socio-cultural and technological trends both in international markets and at the local level to build a successful international strategy (Bondarenko V. 2020).

Considering the approaches to forming international marketing strategies in the current globalization environment, we will identify the stages that are mandatory for Ukrainian enterprises at the stage of resuming marketing activity in the second year of the war in the country. Having gone through the difficult path of finding new domestic markets, implementing effective marketing strategies in the domestic market, finding new

sources of raw materials supplies, optimizing production processes by the rules of labor safety during the war, launching measures to improve the skills of employees who held vacant positions at relocated enterprises during the war, and attracting new investments, Ukrainian entrepreneurs can observe the following sequence of actions (Fig. 1) (Kemp S. Digital (2020).

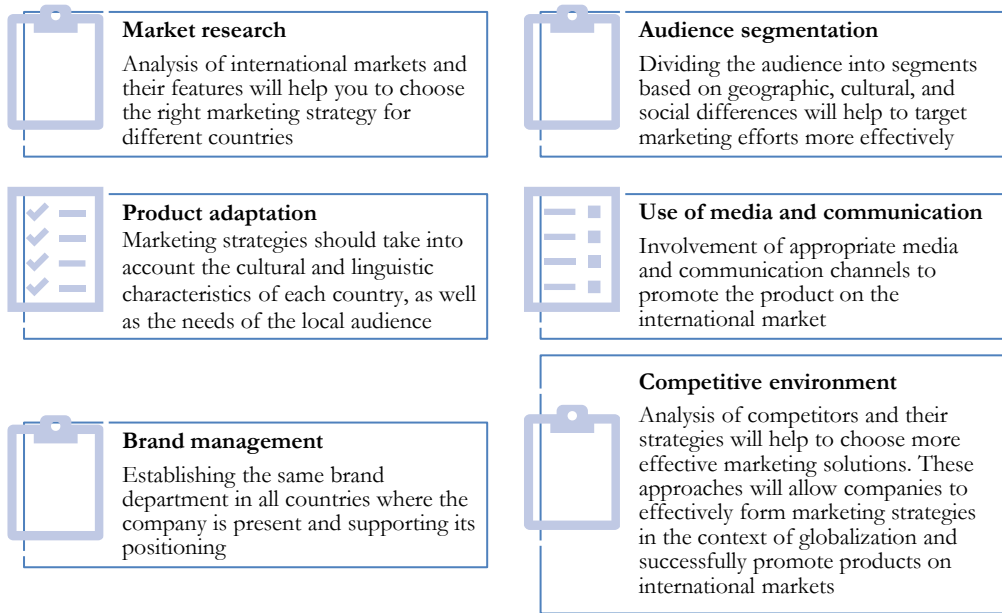


Figure 1. Stages of formation of international marketing strategies in modern conditions of globalization

Under the goals of entering international markets, domestic enterprises need to distinguish approaches to the formation of international marketing strategies in modern conditions of globalization (Fig. 2) (Kravchenko, O., 2019).

Following the goals of entering international markets in war conditions, approaches to the formation of international marketing strategies for Ukrainian enterprises have been developed (Table 1) (Tanasiichuk, A., 2024).

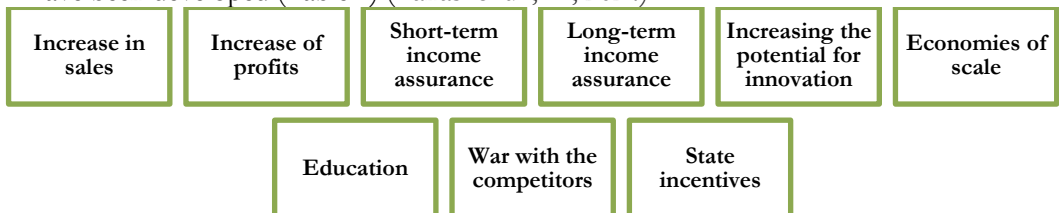


Figure 2. Classification of the goals of entering international markets by Ukrainian enterprises in the context of war (Kravchenko, O., 2019)

Table 1. Approaches to the formation of international marketing strategies for Ukrainian enterprises that carry out economic activities in the conditions of war (Tanasiichuk, A., 2024).

<p>Approach 1. Increase in sales</p> <p>Higher sales lead to increased profit, and increased profit, for its part, means the success of the business. An increase in sales is the primary and perhaps the main cause for businesses to participate in world commerce - it creates new business opportunities and opens up new prospects</p>
<p>Approach 2. Increase of profits</p> <p>Entering the international market should also increase (although not always) business profitability. In addition to the "new markets - new customers" approach, every business seeks to reduce costs, so many companies enter the international market precisely to reduce them. Access to global sources of supply, materials, or resources at the lowest possible cost abroad is also becoming an important reason to enter international markets.</p>
<p>Approach 3. Short-term income assurance</p> <p>It is risky if a business has only a few areas to sell products or services. What happens if these markets undergo abrupt changes due to a natural disaster or other unforeseen circumstances? In this case, sales in international markets can create short-term economic security, providing the company with opportunities for growth and profit generation. Entering global markets provides an opportunity to diversify so that income will be more sustainable even if internal sales decrease due to some reasons.</p>
<p>Approach 4. Long-term income assurance</p> <p>In a developed market where there is fierce rivalry from both local and foreign competitors, cross-border trade is a requirement, because globalization is making the world smaller. In the business world, if the enterprise does not enter external markets, overseas rivals will enter the domestic market to capture their part of the market. Many businesses engage in foreign trade simply as a defensive measure to keep themselves safe or to gain an advantage over existing or potential competitors. The presence of many market types enhances stability over time in revenues and earnings.</p>
<p>Approach 5. Increasing the potential for innovation</p> <p>Financing new product development can be facilitated for corporations by expanding their consumer base worldwide. Research and development (R&D) are usually worthwhile, and a company's ability to sponsor it increases with the number of countries it can sell its product. A 53% of companies directly active in foreign trade eventually begin to develop innovations and new products, according to UKTI statistics.</p>
<p>Approach 6. Economies of scale</p> <p>The larger the volume a company produces, the more likely it is to lower the product's per-unit cost. This generates a scale effect, which leads to increased profits. Expanding market size also allows companies to gain economies of scale.</p>
<p>Approach 7. Education</p> <p>In addition to the evident financial benefits, a company can gain knowledge by expanding into other markets. The company's performance can be enhanced by participating in a variety of foreign projects, and this enhancement – whether technical or qualitative – will eventually result in the stability of the company's finances.</p>
<p>Approach 8. War with the competitors</p> <p>Sometimes businesses choose to go global after learning that their nearest competitors are doing the same. It's a case of the "follow the leader" phenomenon, where a corporation follows suit to maintain its reputation. This may work occasionally, but if proper planning and/or preparation have not been done, this approach will fail miserably. Companies sometimes treat international expansion like a game: "You entered our region, then we will enter your market."</p>
<p>Approach 9. State Incentives</p> <p>One of the main motivations for businesses to enter foreign markets is frequently state incentives. Government help, in the form of favorable tax benefits, may be extended to companies venturing into foreign markets.</p>

After choosing the international market that is most appropriate to the company's competitive advantages and potential, the question of the forms of presence in this market, and thus the strategies for entering it, logically arises. The international marketing strategy determines the scope and nature of preparatory work to ensure presence in the target market.

The study identified several reasons that determine the choice of an international marketing strategy and singled out the most important ones for the activities of domestic enterprises in the current economic environment (Fig. 2) (Haponenko H. 2023).

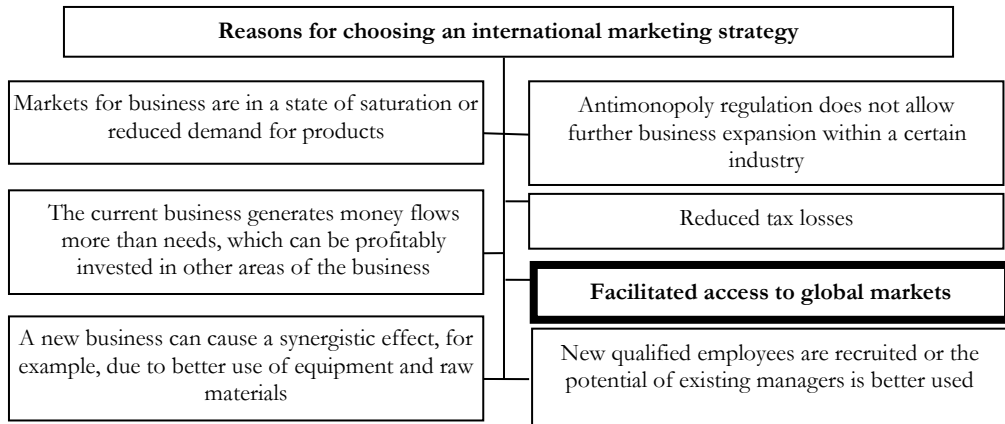


Fig. 2. Reasons for choosing an international marketing strategy

Source: author's development

During the war in Ukraine, those enterprises that showed increased international activity in various markets slightly changed their priorities when choosing an international marketing strategy, and the important reasons are:

- the growth of the global economy and accessibility to international markets, which encourage domestic enterprises to consider the possibility of resuming international activity in the 2nd year of the war;
- audience expansion, as the international strategy allows Ukrainian enterprises to attract new partners from other international markets;
- risk mitigation in the form of a geographical diversification strategy that helps reduce dependence on a single international market;
- competitive advantages that an international strategy can provide to a domestic enterprise in the form of the possibility of using unique competitive advantages at the global level;
- new opportunities, as international expansion opens up new opportunities for domestic enterprises to develop goods and services that will be in demand in new international markets and meet the needs of different cultures and international markets.

When choosing a strategy for entering a foreign market a firm must take into account various factors:

1. Target audience, competitive conditions, risks, and opportunities.

2. International Partnerships: Collaborating with foreign companies can open up new opportunities and markets. Strategic alliances can provide access to resources and expertise.

3. Innovation: Investing in innovation and modern technologies can enhance competitiveness in international markets. This may involve developing unique products or services tailored to global demand.

4. Market Entry Strategies: Choosing the right entry strategy, whether through exporting, joint ventures, or direct investment, depends on factors like target audience, competitive landscape, and risk tolerance. Each of these strategies has its advantages and disadvantages, and choosing the right one depends on the specific conditions and goals of the company (Table 2) (Kaplan R. 2001), (Kovinko O. M. (2017).

Table 2. Advantages and disadvantages of various international marketing strategies that should be considered by domestic enterprises when choosing strategic directions for the development of international activities (Kaplan R. 2001), (Kovinko O. M. (2017)

International marketing strategy	Reasons for choosing	Advantages	Disadvantages
Indirect export/trademark	Lack of financial resources. There is no brand/resource for its promotion in the target market. Production volumes are relatively low.	Entering a new market is profitable due to low costs. The exporting company pays only for product certification and compliance with the standards of the target market. It is easy to find a partner with high-quality products.	Lower profit margins compared to direct exports through a partner or subsidiary. Lack of control over the marketing and sales strategy. There is no well-known trademark or brand of the company. This makes the company unrecognizable in the target market.
Subsidiary	Availability of sufficient financial resources. Large market potential. High demand for products in a particular segment. Favorable investment climate in the market and the absence of regulatory barriers for foreign companies.	Ensuring control over all stages of production, export, marketing, and sales. Effective and sustainable presence in the target market. Expanded opportunities to explore markets with similar requirements.	The high cost and length of the subsidiary creation process can lead to problems. Also, with low sales volumes, investments in the subsidiary may return with a delay.

International marketing strategy	Reasons for choosing	Advantages	Disadvantages
Partnership/joint venture	Import restrictions in the country of destination. Political risks. High potential for sale. Negative investment climate and regulatory policy.	Overcome existing political, regulatory, and cultural barriers. Creating sustainable long-term relationships with partners. Combining resources and contacts of several companies or contractors.	Problems may arise in the control of marketing strategies and sales of the product. It is necessary to invest significant funds. The risks of conflicts in the field of management are increasing. If the market situation changes, the partner may become a competitor.
Licensing/ Franchise	The presence of investment and import barriers. The sales potential in the target market is low. There are significant cultural differences.	Minimal costs and risks. Quick entry into the target market. Ability to bypass existing trade, investment, and regulatory barriers. High level of investment profitability. The counterparty in the country is responsible for adaptation	Suitable for all types of companies. The buyer of the license/franchise may eventually become a competitor. Limited duration of license/franchise. There is always a risk of termination/non-renewal of the contract.
Investments in finished production	Presence of import barriers. Great potential for sales. A profitable investment situation. Low political risk and stable state institutions. Sufficient financial and other resources in the company.	Full control over production, marketing, and distribution of products in the target market. High efficiency in understanding the peculiarities of the functioning of the target and similar markets. Ability to overcome existing trade barriers.	In the absence of experience, serious problems may arise with the management of foreign assets. Considerable expenses are required, including financial and time resources. There is a high risk of investment loss due to ignorance of the local market and business environment.

The effectiveness of each of the international marketing strategies depends on a proper assessment of one's capabilities and resources, as well as quality preparatory work. The better the company prepares for export, the more efficiently and longer it will be possible to sell its product, and the faster the costs will pay off.

Theoretically, when choosing strategic directions for international development, companies usually take into account such factors as market analysis, competition assessment, potential demand for their goods or services, economic stability of the markets they plan to cooperate with, political and socio-cultural aspects, technological and innovative trends to be up-to-date and successfully compete in the international market, global trends and resource allocation. By carefully analyzing these factors, businesses can identify opportunities to expand into international markets and develop effective strategies to achieve their goals. Additionally, companies may consider partnerships, acquisitions, and alliances as part of their international expansion strategy to access new markets and resources. After all, the choice of strategic areas of

international activity will depend on the goals, resources, and capabilities of the company, as well as the external environment in which it operates (Kovinko O. M. (2017).

Practically, when choosing strategic directions for international development, companies should carefully analyze current market trends, study competitors and their strategies, assess opportunities and threats that may affect business, and pay attention to social and political aspects in the countries where expansion is planned. It is also important to have a clear vision of the company's mission and goals to choose development areas that will contribute to the achievement of strategic goals, systematically analyze demand and consumer habits in international markets, and understand the local legal framework and economic conditions for doing business in international markets. Another important aspect is the selection of optimal sales channels and communication with local consumers (Tanasiichuk A., 2020).

Given the peculiarities of choosing strategic directions for the development of international activities of Ukrainian enterprises, we believe it is important for domestic specialists to develop a marketing strategy not only for each business but also for each market, based on national and regional market characteristics and product consumption patterns. By using the right international marketing strategy, a domestic enterprise can gain significant economies of scale, access to rare and valuable resources, maximize the use of its resources and reduce the risks of stagnation and decline in sales. The international marketing strategy as a strategic marketing activity of Ukrainian enterprises, which performs the functions of resource allocation, the adaptation of enterprises to the external environment, coordination, and regulation of their internal environment, is characterized by determining the current position of the enterprise in the context of its strategic prospects for functioning, strategic development options, as well as substantiation of a set of measures to implement the international marketing strategy for business development (Fig. 3) (Tanasiichuk, A. (2021).

The strategic position of the enterprise determines its goals and motives for further operation on the market, which, in turn, are adjusted by the influence of external factors. Given the strategic opportunities, the strategic directions of the enterprise's development are determined. The selected international marketing strategy requires appropriate tools for managing changes in the external and internal environment of the enterprise, creating conditions for implementing the strategy and developing an optimal organizational structure. It is important to note that the components of determining the strategic orientation of the enterprise are not hierarchically dependent on each other, but interact and complement each other, forming a complete system.

One of the important features of an international marketing strategy for business development is the diversity of activities in different national markets. This strategy can be implemented in both related and unrelated industries. In this case, management is required to develop and implement multiple strategies, at least one for each industry with appropriate variations for national markets relevant to the context (Kravchenko, O., 2019).

Given that the goal of strategic coordination at the company level is to direct all the power of corporate resources and opportunities, it is important to choose an international marketing strategy for the business development of enterprises to preserve sustainable competitive advantages in each business and each national and global market. At the same time, it is necessary to consider the main obstacles to an enterprise planning to enter the international market, namely: customs barriers, non-tariff restrictions, and legal obstacles.

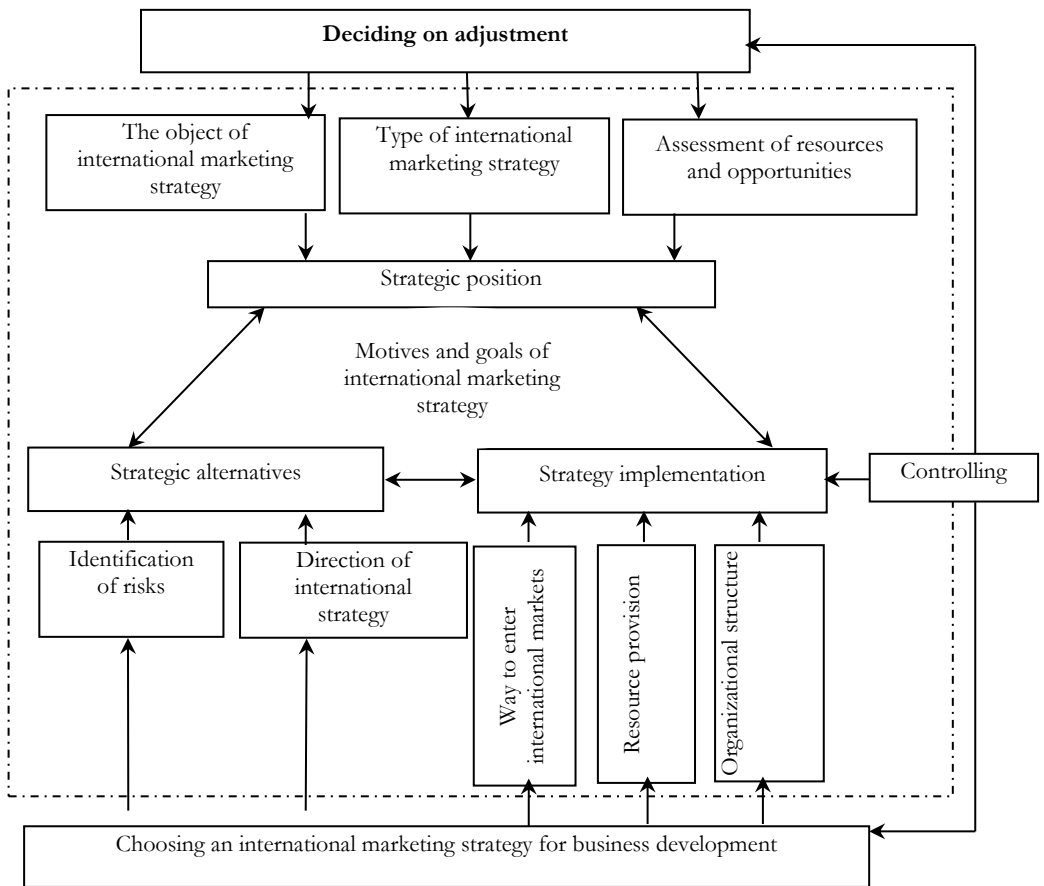


Figure 3. The process of choosing an international marketing strategy for the business development of domestic enterprises

Source: author's development

Based on processed scientific and statistical information, an approach was formed, which involves the creation of new offers by enterprises on international markets by applying an international marketing strategy for business development (Fig. 4) Source: author's development.

This approach to making a managerial decision on the choice of a strategic direction for the development of international activities of Ukrainian enterprises is based on the statement that modern companies, expanding the range of types and areas of activity, introduce new and unrelated to the main business sectors of the firm, which creates new offers in the world markets. In the second year of the war in Ukraine, the choice of a strategic direction for the development of international activities of domestic enterprises is both a prerequisite and a result of the integration of domestic industry into the world economy.

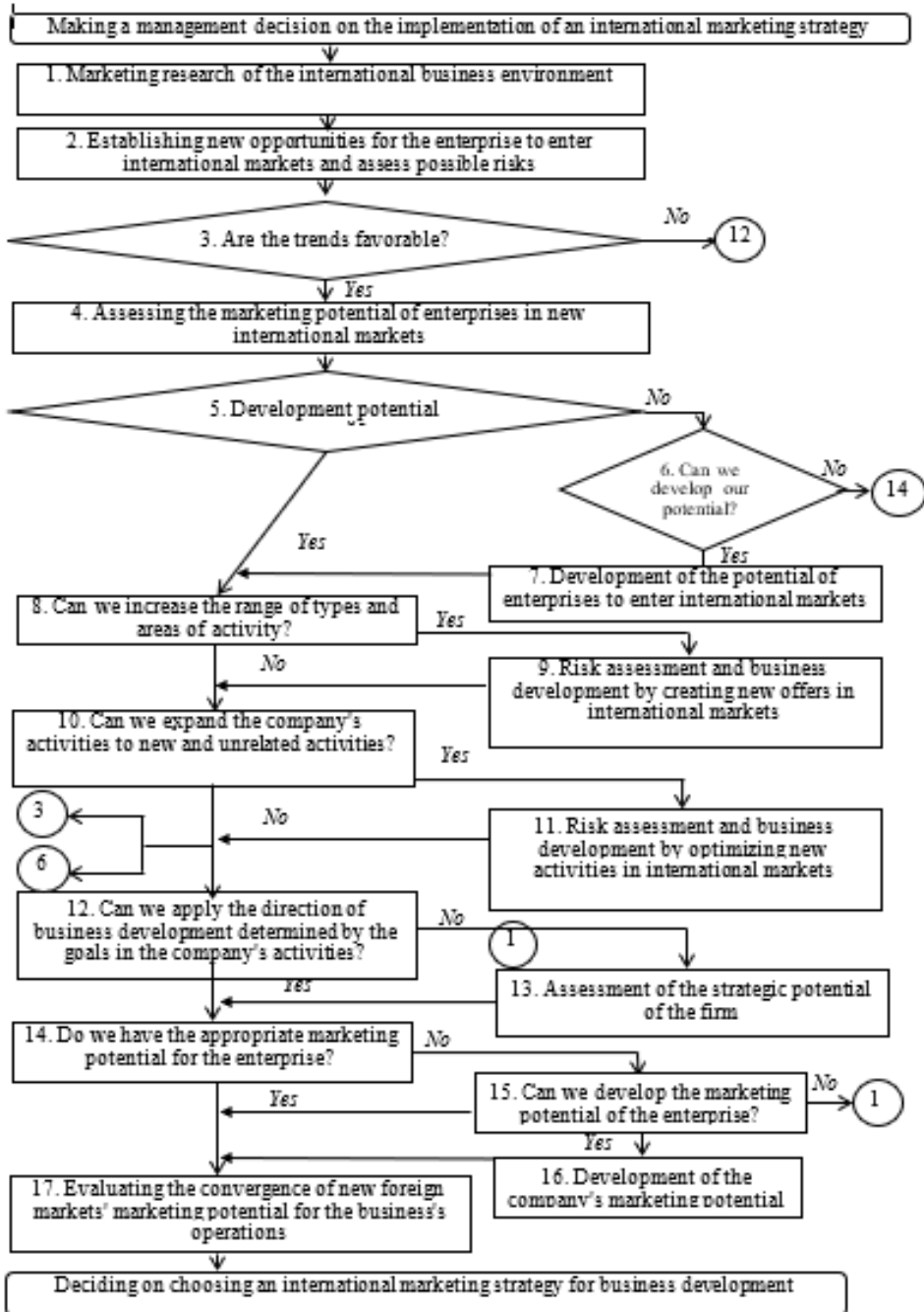


Figure 4. Graph-analytical model of the process of making a management decision on the choice of a strategic direction for the development of the international activity of Ukrainian enterprises

Source: author's development

3. Results of the Study

In determining the attractiveness of foreign markets, it is crucial to keep in mind that Ukrainian businesses cannot be directed by dogmatic, versatile solutions in the second year of the military conflict because this process calls for creativity directed toward fulfilling the needs of a certain customer in a given market and time frame.

Using metrics of the attractiveness of the business climate in the target market countries – which are crucial to take into account for the ongoing development of the international marketing strategy for the commercial development of Ukrainian enterprises – we will assess the convergence degree of convergence of the markets of the EU (Table 3).

Table 3. Assessment of EU market convergence for Ukrainian enterprises, 2022.

Per capita GDP, purchasing power parity, rate of inflation, corruption rate, Rule of law index, carbon dioxide emissions, natural resource income, agricultural value added, food production index, business freedom index, and industrial value added.

Foreign market / Factor	GDP per capita, purchasing power parity, USD	Inflation: percentage change in the purchasing price index	Control over corruption	Rule of law index	Carbon dioxide emissions per capita	Natural resource income, GDP percentage	Value added in the agricultural sector as a percentage of GDP	Food production index	Business freedom index	Industrial value added, billion USD
Luxembourg	117747	6,3	1,88	1,77	12,46	0	0,24	112,7	86	8,49
Ireland	112445	7,8	1,67	1,53	6,77	0,1	1,11	118,6	87	221,2
Denmark	59935	7,7	2,4	1,9	4,69	0,34	1,17	102,9	89	78,7
Netherlands	59249	10	1,92	1,66	7,47	0,34	1,5	103,8	84	196,9
Austria	55867	8,5	1,26	1,71	6,63	0,12	1,39	99,8	79	122,9
Sweden	55359	8,4	2,06	1,69	3,24	1,21	1,46	96,5	85	141,6
Germany	53970	6,9	1,82	1,53	7,26	0,08	0,92	94,5	80	1098,
Belgium	53287	9,6	1,5	1,35	7,4	0,04	0,64	102,5	79	116,9
Finland	49275	7,1	2,25	1,96	6,57	0,45	2,29	93,5	85	72,3
Malta	48642	6,2	0,24	0,79	3,13	0	0,94	76,4	76	2,3
France	45904	5,2	1,26	1,18	3,95	0,03	1,91	96,2	78	467,5
Cyprus	44996	8,4	0,42	0,57	5,47	0,01	1,59	110,7	75	3,54
Italy	44292	8,2	0,53	0,3	4,73	0,11	1,82	99,6	74	488,2
Czech Republic	41052	15,1	0,66	1,1	8,3	0,39	1,9	97,7	77	86,03
Slovenia	41015	8,8	0,77	0,97	5,93	0,19	1,84	97,4	76	16,9
Spain	40223	8,4	0,69	0,8	4,28	0,12	2,34	116,9	75	294,8
Lithuania	39955	19,7	0,75	1,06	4,18	0,29	3,97	96,2	76	18,3
Estonia	37712	19,4	1,54	1,43	5,34	1,72	2,52	98,2	79	9,15
Poland	37707	14,4	0,51	0,43	7,37	1,03	2,84	111	75	193,3
Portugal	35768	7,8	0,73	1,11	3,78	0,29	1,85	127,8	76	47,5
Hungary	35357	14,6	-0,1	0,42	4,59	0,4	3,24	92,1	74	43,6
Croatia	34302	10,8	0,15	0,37	3,86	0,68	3,08	82,1	72	14,3
Slovakia	33176	12,8	0,21	0,62	5,32	0,23	1,84	97,4	72	32,9

Latvia	32992	17,3	0,69	0,92	3,65	1,17	5,02	101,5	78	8,8
Romania	32496	13,8	0,02	0,4	3,56	1,14	4,47	106,4	71	86,
Greece	31704	9,6	0,04	0,33	4,77	0,09	3,76	95	70	36,6
Bulgaria	26961	15,3	-0,16	-0,11	4,92	0,92	3,86	109,6	72	22,9

Source: assembled for (Global Economy) by the author (Last accessed 25.03.24)

Some European markets considered convergent for Ukrainian businesses have strong economies and offer Ukrainian enterprises various opportunities to expand their operations and attract new customers. In addition, the European Union countries provide a large consumer base and access to the single market, which makes them attractive markets for Ukrainian companies seeking to do business in Europe.

The indicators selected for assessing the convergence of EU markets for Ukrainian enterprises included the following: per capita GDP, purchasing power parity, rate of inflation, corruption rate, rule of law index, carbon dioxide emissions, natural resource income, agricultural value added, food production index, research and development expenditures, business freedom index, economic freedom, economic globalization index, industrial value added, happiness index, and human development index.

Among the EU markets, the highest GDP per capita, according to purchasing power parity data, is in Luxembourg, Ireland, Denmark, the Netherlands, Austria, Sweden, Germany, and Belgium. Obviously, in terms of this indicator, these markets are convergent for Ukrainian enterprises, as the higher the GDP per capita, the more opportunities consumers have to satisfy their needs and desires.

Ukrainian businesses' evaluation of the EU markets' convergence based on the "inflation" indicator's value shows that the markets of Spain, Italy, Ireland, Portugal, Denmark, Finland, Germany, Luxembourg, Malta, and France are potentially profitable for the sale of goods of Ukrainian enterprises, as these markets have low inflation, which indicates economic stability and increased consumer demand. The low level of inflation means that the prices of goods in the markets of Spain, Italy, Ireland, Portugal, Denmark, Finland, Germany, Luxembourg, Malta, and France remain stable, which helps to reduce consumer spending and increase the sales of goods in these markets, including those imported from of Ukraine.

The next indicator in the assessment is "control of corruption", which shows the status of measures taken in the EU markets aimed at preventing, detecting, and stopping corruption in the public or commercial sector. Ukrainian companies' knowledge of the level of corruption control in their partner's market will help them avoid potential problems and risks related to corruption. The higher the corruption control score, the greater the level of corruption control, so among the EU markets, the markets of Denmark, Finland, Sweden, the Netherlands, Luxembourg, Germany, Ireland, Belgium, and Estonia are more economically stable and sustainable.

For an exporter, it is important to know the value of the "rule of law index" indicator, which determines the level of property rights protection in a country, which may affect the exporter's decision to choose a market for business expansion. A low "rule of law index" indicates a high risk of loss of property or contractual rights, which may force the exporter to consider alternative markets with more stable legal conditions. Therefore,

among the EU markets, the markets with a high "rule of law index" were identified: Finland, Denmark, Luxembourg, Austria, Sweden, the Netherlands, Ireland, Germany, Estonia, Belgium, and France.

It is important for a Ukrainian company looking for convergent markets among the EU markets to know the value of the "carbon dioxide emissions per capita" indicator, as this indicator shows the environmental efficiency of the international market and the level of its carbon footprint. Information on carbon dioxide emissions can influence the decision to export goods and services from Ukraine, as well as focus on compliance with the level of satisfaction of environmental standards.

The low value of the "carbon dioxide emissions per capita" indicator in the markets of Italy, Denmark, Hungary, Spain, Lithuania, France, Croatia, Portugal, Latvia, Romania, Sweden, and Malta is a positive indicator for the environment and shows an environmentally friendly policy of production and consumption. Such low emissions can be a consequence of the use of renewable energy sources, energy-efficient technologies, as well as other measures to reduce the impact of climate change.

Knowing the indicator of the potential market "Natural resources income, percentage of GDP" for Ukrainian exporting companies is important, because this indicator helps to determine how economically dependent a partner country is on natural resources and how this can affect its ability to buy goods from Ukraine. Understanding this indicator can help the exporter make decisions on the development of new markets or diversifying products to minimize risks. A high value of the indicator "Natural resources income, GDP percentage" in potential sales markets may lead Ukrainian producers to risks in case of price fluctuations for these resources or their instability, therefore, the markets with a low value of the indicator are convergent among the EU markets, namely: Luxembourg, Malta, Cyprus, France, Belgium, Germany, Greece, Ireland, Italy, Austria, Spain.

A high value of the "Value added in the agricultural sector as a percentage of GDP" indicator means that the value added of the agricultural sector as a percentage of the gross domestic product (GDP) is significant. The indicator of "value added of agriculture as a percentage of GDP" is important for Ukrainian exporting enterprises that are looking for new sales markets. This indicator can show the level of development of the rural sector in the country, its competitiveness, and export potential. Businesses can use this information to make decisions regarding the selection of sales markets, the development of new products or services, and export development strategies in the markets of Luxembourg, Belgium, Germany, Malta, Ireland, Denmark, Austria, Sweden, and the Netherlands.

The "food production index" indicator is important for Ukrainian exporters looking for new sales markets, as it indicates the volume of food production in the market, which can affect potential competitiveness in international markets. The higher the production index of the Ukrainian market, the more opportunities for exporting the products of enterprises.

Among the EU markets, promising for Ukrainian enterprises are the markets where the "food production index" indicator is low. The low level of this indicator indicates the potential for exporting food products to the markets of Malta, Croatia, Hungary, Finland, Germany, Greece, France, Lithuania, and Sweden. Depending on

specific circumstances and factors, these markets can be attractive for the development of new business ideas or the introduction of innovations in the food industry.

A high value of the "business freedom index" indicates a business-friendly environment in the market where this indicator is measured. In the markets of Spain, Ireland, Portugal, Poland, Romania, Cyprus, Luxembourg, Bulgaria, Slovenia, Denmark, Germany, and Austria, the index of "business freedom" is high, which means that existing business policies, in particular tax laws, rules and regulations will facilitate Ukrainian entrepreneurship and economic growth.

Assessing the convergence of EU markets for Ukrainian enterprises based on the value of the "industrial added value" indicator is important for exporting enterprises from Ukraine, as it determines the overall level of production of industrial goods on the market. The high level of added value of the EU markets indicates the efficiency of production and the competitiveness of products, which cannot be positively reflected in the opportunities of Ukrainian exporters of goods on these international markets.

EU markets, such as the Netherlands, Belgium, Portugal, Germany, Slovenia, Lithuania, Italy, the Czech Republic, Croatia, and Malta, may be attractive for Ukrainian companies in terms of opportunities to increase production and sales in the European market. A low indicator of "industrial value added" may indicate the possibility of investing in these markets to develop production and create additional value.

Additionally, ten experts ranked the previously identified potential markets using a 5-point evaluation scale, which was derived from adding up the ranks. Every indicator's global average, maximum, and minimum values were considered when creating the assessment table (lowest value: 1-2, average value: 3-4, highest value: 5), and the aggregate rate of each EU market was determined using the summing method, the highest value of which denotes more advantageous entry conditions for domestic businesses.

Table 4. EU market ranking based on the approach of the summarizing convergence indicators across the markets under study, 2022.

Foreign market / Factor	GDP per capita, purchasing power parity, USD	Inflation: percentage change in the purchasing price index	Control over corruption	Rule of law index	Carbon dioxide emissions per capita	Natural resource income, GDP percentage	Value added in the agricultural sector as a percentage of GDP	Food production index	Business freedom index	Industrial value added, billion USD	Overall assessment
Germany	4	4	5	5	2	5	5	5	5	5	69
Ireland	5	4	5	5	3	5	5	4	5	4	68
Sweden	4	4	5	5	5	4	5	5	4	3	68
Denmark	4	4	5	5	5	4	5	4	5	3	67
Belgium	4	4	4	5	4	5	5	4	4	5	67
Netherlands	4	4	5	5	3	4	5	4	4	5	66
Austria	4	4	3	4	3	5	5	4	4	3	65
Finland	4	4	5	5	4	4	4	5	4	2	65
Luxembourg	5	4	5	5	2	5	5	4	5	2	64
France	4	5	3	3	5	5	4	5	4	4	63
Slovenia	4	4	2	3	5	4	4	4	5	5	61
Malta	4	4	2	2	5	5	5	5	4	5	60
Czech Republic	4	3	2	3	4	4	4	4	4	5	58
Portugal	3	4	2	3	5	4	4	3	5	5	58
Italy	4	4	2	1	5	5	4	4	4	5	56
Lithuania	3	2	2	3	5	4	3	5	4	5	56
Cyprus	4	4	2	2	5	5	4	4	5	0	55
Spain	3	4	2	2	5	5	4	3	5	3	55
Estonia	3	2	5	4	4	3	4	4	4	0	54
Croatia	3	3	1	2	5	4	3	5	3	5	53
Poland	3	2	2	2	3	4	3	3	5	3	49
Hungary	3	2	0	2	5	4	3	5	4	0	49
Slovakia	3	3	1	2	5	4	4	4	3	0	48
Greece	3	4	0	2	5	5	3	5	3	0	47
Latvia	3	2	2	3	5	2	2	3	4	0	46
Romania	3	3	0	2	5	2	2	3	5	0	40
Bulgaria	2	3	0	0	5	3	3	3	3	0	37

Source: compiled by the author

Following a thorough investigation that involved adding up the rankings for these indicators, it was discovered that the markets of Germany, Ireland, Sweden, Denmark, Belgium, the Netherlands, Austria, Finland, Luxembourg, and France have favorable business conditions that contribute to significant convergence. This could serve as the basis for Ukrainian businesses to join these markets.

After evaluating the EU markets' convergence using the developed system of metrics and using the method of summarizing the ranks by these indicators, a target

portfolio was created to continue choosing strategic directions for the growth of Ukrainian businesses' global operations (Table 5).

Table 5. Determination of strategic directions for the development of international activities of Ukrainian enterprises that are resuming their marketing activity

1. There is an opportunity for Ukrainian enterprises to enter the market		
Germany, Ireland, Sweden, Denmark, Belgium, the Netherlands, Austria, Finland, Luxembourg, France	Portugal, Italy, Lithuania, Cyprus, Spain	Estonia, Croatia, Poland, Hungary, Slovakia, Greece, Latvia
2. It is advised that Ukrainian businesses research their market entry opportunities.		
Germany, Ireland, Sweden, Denmark, Belgium, the Netherlands, Austria, Finland, Luxembourg, France	Slovenia, Malta, the Czech Republic, Portugal, Italy, Lithuania, Cyprus, Spain	
3. The markets with convergent conditions for the entry of Ukrainian enterprises were identified		
Germany, Ireland, Sweden, Denmark, Belgium, the Netherlands, Austria, Finland, Luxembourg, France		

Source: author's conception

Slovenia, Malta, the Czech Republic, Portugal, Italy, Lithuania, Cyprus, and Spain markets will turn out to be favorable for Ukrainian businesses if they close a big gap in their primary indicators, namely: "control over corruption and "rule of law index". It is important to work on these aspects because they affect the business environment and can influence the success of activities in the specified markets. These indicators can be improved by implementing effective anti-corruption measures and encouraging compliance with the law. We hope that Ukrainian companies will be able to successfully operate in these markets in the future.

When analyzing the process of forming strategic directions for the development of international activities of Ukrainian enterprises, it was found that an important component of successful global operations is the choice of markets with favorable convergent business conditions.

Appropriate strategies allow enterprises to learn and adapt to specific market conditions, determine competitive advantages, and effectively use opportunities for international business development. Properly constructed strategies ensure a stable financial and market position of the enterprise, contribute to expanding its presence on the international market and enhance competitiveness. Thus, this process is important for the effective development of the enterprise on the world stage.

4. Conclusion

The war in Ukraine, which began in 2022, added a terrible and dramatic situation to the political, economic, and social life of Ukraine, caused suffering to many people, and had serious consequences for the economy of Ukraine, and for the country as a whole. Obviously, before defining a strategy for international activities, it is necessary to analyze the external environment, take into account the company's internal capabilities and limitations, its resources, technologies, and experience, and it is important to define a clear mission and goals of the company in the international context, which will determine the development strategy.

Summarizing the scientific views of domestic and foreign scientists, we can conclude that all international marketing experts speak of the importance of developing strategic directions for the development of international activities of enterprises by analyzing internal and external factors, studying the needs and features of international markets, planning international marketing and communications, identifying competitive advantages and strategies of interaction with partners and customers.

In determining the attractiveness of foreign markets, it is crucial to keep in mind that Ukrainian businesses operating in the second year of the war, Ukrainian enterprises cannot be guided by dogmatic, universal solutions because this procedure calls for ingenuity directed at satisfying a particular customer's needs within the constraints of a particular time and market.

Based on measures of how appealing the target markets' business environments are, the study evaluates the degree of convergence using the EU markets as an example. These indicators are crucial to take into account for future development of an international marketing strategy for business development of Ukrainian enterprises: GDP per capita, purchasing power parity, Inflation, Control over corruption, Rule of law index, Carbon dioxide emissions per capita, Natural resource income, GDP percentage, Value added in the agricultural sector, Food production index, Business freedom index, Industrial value added.

As a result of assessing the convergence of the markets of the EU by the set of indicators and using summarizing ranks by these indicators, a target portfolio was created for a further selection of strategic directions for the development of international activities of Ukrainian enterprises:

1. Markets with favorable conditions for business – Germany, Ireland, Sweden, Denmark, Belgium, the Netherlands, Austria, Finland, Luxembourg, and France.
2. Markets where Ukrainian businesses may have the potential but only in case, if they close a gap in their primary indications, namely: "control over corruption" and "rule of law index" – Slovenia, Malta, Czech Republic, Portugal, Italy, Lithuania, Cyprus, Spain.

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