

**Kyiv National University of Trade and Economics  
Department of International Economic Relations**

**FINAL QUALIFYING PAPER  
on the topic:  
“Sales Efficiency Management of the Import Company”  
(based on the data of LLC “Altavent”, Kyiv)**

Student of the 2<sup>nd</sup> year, group 5a,  
specialty 073 «Management»,  
specialization «Management of  
foreign economic activity »

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**Kyiv 2018**  
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**ВИПУСКНА КВАЛІФІКАЦІЙНА РОБОТА**

на тему:

**«Підвищення ефективності збуту підприємства-імпортера»**

(на матеріалах ТОВ «Альтавент», м. Київ)

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## ABSTRACT

### **Mazur M. Sales efficiency management of the import company**

Qualifying work for obtaining a master's degree in specialty 073 "Management", specialization "Management of foreign economic activity". Kyiv National University of Trade and Economics, 2018.

In the final qualifying work the essence of sales efficiency management of the enterprise importer is determined, the mechanism of development and introduction of sales management in the enterprise is substantiated. The methodological approaches to the evaluation of the effectiveness of the sales efficiency management strategy are presented.

The financial and economic activity of LLC "Altavent" is analyzed, the external environment of the activity of the investigated enterprise is analyzed. An estimation of the sales efficiency of the enterprise is conducted in order to identify the preconditions for sales development.

The necessity of searching the ways of sales efficiency development on LLC "Altavent" are grounded. The strategy of sales efficiency development on the investigated enterprise is offered. An assessment of the effectiveness of the proposed measures is given.

Key words: sales efficiency, efficiency of sales development strategy, enterprise importer, competition, competitiveness, foreign economic activity

## АНОТАЦІЯ

### **Мазур М. Управління ефективністю збуту підприємства імпортера**

Випускна кваліфікаційна робота на здобуття освітнього ступеня магістра за спеціальністю 073 “Менеджмент”, спеціалізацією “Менеджмент зовнішньоекономічна діяльність”. Київський національний торговельно-економічний університет, 2018.

У випускній кваліфікаційній роботі визначено сутність управління збутом підприємства імпортера, обґрунтовано механізм розвитку та впровадження ефективної стратегії збуту на підприємстві. Представлено методологічні підходи до оцінювання ефективності стратегії збуту.

Проаналізовано фінансово-господарську діяльність ТОВ «Альтавент», проведено аналіз зовнішнього середовища діяльності досліджуваного підприємства. Проведено оцінку менеджменту збуту підприємства з метою виявлення передумов підвищення ефективності даної діяльності.

Обґрунтовано необхідність пошуку шляхів підвищення ефективності збуту на ТОВ “Альтавент”. Запропоновано стратегію підвищення ефективності збуту на вказаному підприємстві. Проведено оцінку ефективності запропонованих заходів.

Ключові слова: ефективність збуту, ефективність стратегії збуту, підприємство імпортер, конкуренція, конкурентоспроможність, зовнішньоекономічна діяльність



**Kyiv National University of Trade and Economics**  
**International Economic Relations Department**

**SUMMARY**  
**TO THE FINAL QUALIFYING PAPER**  
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**Kyiv 2018**

Final qualifying paper: 94 p., Illustrations - 8, Tables - 26, appendices - 5, references - 70

**The object of investigation** is the process of sales efficiency management in the enterprise-importer.

**The subject of investigation** theoretical and methodological aspects strategy of sales efficiency management of enterprise-importer.

**Enterprise that is a basis for writing master diploma work** is LLC “Altavent”

**Purpose of final qualifying work** is justification of ways of sales efficiency improvement on the enterprise-importer.

**Task:** to research the essence of import substitution of manufacturing enterprise; to represent the mechanism of development of import sales efficiency improvement of the enterprise-importer; to justify methodological approaches sales efficiency growth of the enterprise-importer; to provide financial and economic activity analysis of LLC “Altavent”; to evaluate foreign environment of LLC “Altavent”; to assess sales efficiency of LLC “Altavent”; to justify directions of sales efficiency strategy implementation of LLC “Altavent”; to plan sales efficiency rise strategy of LLC “Altavent”; to evaluate proposed measures efficiency at LLC “Altavent”.

**Methods of investigation:** axiomatic (basing on existing general theoretical positions); analysis and synthesis (researching the methodological approaches to assess the effectiveness of the import substitution strategy); method of comparison and generalization (analysis of financial and economic activity of the enterprise); methods of economic and mathematical modeling (evaluation of the effectiveness of the proposed measures); expert assessment (determining the importance of the rating criteria of suppliers).

**In the introduction** to the work the actuality and the practical value of the chosen topic are explained; the purpose and the urgency of its practical significance are formulated, the research object, the subject of research and its tasks are represented. Also

methodological and theoretical part of the study, methods that were used in the work are described.

**In the first part of work** “Theoretical foundation of investigation of import products sales management system at the enterprise – subject of FEA” the essence of import product sales management is defined. There is described the mechanism of development of import sales efficiency development of enterprise-importer. The methodological approaches to evaluation sales efficiency of the enterprise-importer evaluation are represented.

**In the second part** of the work "Analyses of financial and economic activity of the LLC “Altavent”” the financial and economic activity of LLC “Altavent” are analyzed, the analysis of foreign environment of the company is provided. The diagnosis of imported goods sales efficiency is assessed.

**In the third part** of the work "Ways of sales efficiency management improvement at the LLC “Altavent””the directions of import sales efficiency development strategy implementation of LLC “Altavent” are justified. The management of sales efficiency improvement of LLC “Altavent” is planned. Evaluation of the effectiveness in future including the proposed measures in the company was provided.

**Conclusions and proposals** contains theoretical generalization and ascertain solutions to the given scientific problem, the essence of which is in the comprehensive study, assessment and effective management of sales efficiency in the researched company.



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## INTRODUCTION

The research demonstrates a high actuality in a present economic environment, especially in the market economy. Import operations are important method of providing foreign goods to a domestic market. Import plays in major role in in the country's lifecycle, as it creates an opportunity for products exchange. In terms of wide activity of enterprise there is a need to provide an accurate and correct assessment of imports as it improves the efficiency based on the effectiveness of economic tools and incentives.

Theoretical and methodological aspects of import evaluation and its effectiveness estimation were revised by various foreign and local scientists. Among domestic and foreign persons it is possible to mention: Melnyk T. M., Shpylyk, S., Balabanov L., Piddubna L. I., Kudlay V. G., Mazaraki A. A., Konev S, Hase S, Busch C., Simpson C. A. These people brought a significant assessment in the study of import, however, the market and its rules are not staying on one place, so the research should be always extended.

Purpose of research is to study the theoretical foundations and development of practical recommendations for improving the sales efficiency management which connects with the enterprise-importer.

In order to achieve a stated purpose, it is recommended to follow next steps:

- to study the essence and features of import products sales of the enterprise;
- to systemize approaches to the creation of efficient channels and methods of imported products sales of the enterprise;
- to identify the methodical tool of the enterprise imported products sales effectiveness assessment;
- analyze the financial and economic activity of LLC "Altavent";
- to define and state main ways of LLC "Altavent" sales efficiency management;
- to provide the assessment of imported goods sales efficiency;

-to provide the development of managerial measures for imported products sales effectiveness improvement on LLC “Altavent”

- to make a decent forecast regarding proposed method of sales efficiency and their results in the near future.

Object of research- the process of the enterprise import products sales effectiveness assessment. Subject of research - theoretical and practical aspects of improving the management of import activity LLC “Altavent”.

There are a plenty of methods used in the paper. The first and initial is systematic and logical methods, these tools aid in terms of the study’s direction organization. It is also used the method of theoretical generalization, as it is possible to structure and organize the statistics. Methods of information processing are also widely used in the paper (comparison, grouping, graphical and tabular presentation of data, methods of bringing performance to a comparative format). Finally, the selection is filled with methods of economic and expert analysis and abstract-logical method.

Novelty is deepening theoretical and methodological provisions aimed on developing import activity of the LLC “Altavent” to ensure its effective economic activity.

Practical value of results is to provide theoretical and methodological foundations to identify ways and models of improving the management of sales efficiency of the enterprise-importer, strengthening their impact on the performance of the company in terms of accelerating changes in the internal and external environment.

The final qualifying paper consists of theoretical and practical parts of imported product sales efficiency assessment. In the final part propose directions of improvement import products sales efficiency on LLC “Altavent”.

**PART 1**  
**THEORETICAL FOUNDATIONS OF INVESTIGATION OF IMPORT**  
**PRODUCTS SALES MANAGEMENT SYSTEM AT THE ENTERPRISE –**  
**SUBJECT OF FEA**

**1.1. Essence and Features of Import Products Sales Management of the**  
**Enterprise - Subject of FEA**

Under the conditions of globalization of the world economy, the role of the external economic sphere at both the macro and microeconomic levels is significantly increasing. At the present stage, foreign economic relations are an integral part of the activities of the sectors of the national economy, enterprises and organizations. They become a means of scientific, technical, economic and social progress of society.

The exchange of goods and services is one of the directions of foreign economic activity of any state. This is the oldest form of international economic relations, which today is an important factor in the development of both the world and each national economy [67, p. 78]. Foreign trade provides great opportunities for the formation and development of the economy, the formation of the country's budget, and the maintenance of the people's welfare.

To define this phenomenon, various concepts are used, such as foreign trade, world foreign trade, international trade. In the economic literature, the term "foreign trade" means the exchange of a country with other countries, which includes paid export (export) and import (import) of goods and services. As for "international trade", it involves the exchange of goods and services between different countries, associated with the deepening of the international division of labor in modern conditions [46, p. 3]. There is no such division in the foreign economic literature.

The need for foreign trade is due to:

- various security factors of production;
- uneven development of individual countries and industries.



For the modern stage of development of the world economy, there is a tendency towards an unlimited expansion of production volumes, while the capacity of the domestic market is limited by the demand (consumer and solvent) of the population.

Thus, the interest of individual countries in expanding foreign trade is explained by the needs of product sales in foreign markets, the receipt of goods, production factors or services that are scarce for a given economy, and the desire to extract higher profits as a result of monopolistic influence on the foreign market, if conditions exist .

The country's foreign trade is part of its economy. Therefore, the tasks of foreign trade are determined by the general economic course adopted in the country [2, p.23]. They depend on the specific economic situation and the goals of the state's economic development that are being implemented at this stage.

Management of foreign economic activity at the firm level involves the solution of important tasks. Among them - the development of strategic directions of foreign economic policy and company's behavior on foreign markets, the process of plans creation for foreign trade and the formation of the optimal structure of foreign trade administration institutes, its coordination with other types of work of the company, accounting and performance monitoring operations in foreign markets, information support of decisions in the field of economic relations with foreign partners [22, p. 91].

**There are six basic management functions:**

- to plan, to generate short-term, medium-term and long-term plans for the development of foreign economic activity, as well as developing business plans for new foreign-economic projects or to search for the most reasonable and attractive external sources of financing;
- to organize, form the organizational units of the company for the implementation of foreign economic operations, distributing employees to work areas, giving them



relevant functions, powers and responsibilities and determining the forms and methods of preparing and implementing foreign economic activities [58, p. 83];

- to coordinate and direct tasks and functions of foreign economic activity with other departments and divisions of the company in order to prevent contradictions in the decisions and ensure the coherence and optimization of all work;
- to take into account the results and evaluate the effectiveness of foreign economic activity by determining the profitability of foreign trade transactions separately for specific types of goods and regions and in the aggregate for the entire nomenclature series of goods supplied abroad or imported from abroad [14, p. 55];
- to control foreign trade operations both operatively and strategically, conducting ongoing monitoring of the progress of implementation and monitoring the implementation of annual, medium-term and long-term foreign economic activity plans and organizing relevant audits, including the implementation of foreign economic and marketing strategies;
- to provide an information system for servicing the foreign economic activity of a company by introducing management information systems, connecting to relevant foreign information via the Internet, etc., which allows not only to have a clearly structured databank of external economic information, but also to use the possibilities of playing situations using ready-made or this company computer programs in order to optimize work in foreign markets and management decisions for more qualified and reasonable level [37, p. 66].

There are also specific functions, as among them are:

- an analytical function to study the international market environment and the environment of individual foreign countries and markets, the demands of consumers of foreign market segments;
- production function, involving the improvement and adaptation of the product to the conditions of local markets;
- sales function on the organization of the sales network in his country and abroad to promote export goods [42, p.12];

- the implementation of pricing policy, carrying out advertising work on foreign markets, etc.

The subject of Management of foreign economic activity is a set of management relations that arise in the field of foreign economic activity in connection with the planning, organization, management and control over the implementation of specific international business operations at different levels of business management, mainly in enterprises. It also includes the management activities of not only Ukrainian enterprises in foreign markets, but also foreign firms in Ukraine, various activities at the level of enterprises, regions, ministries and departments [3, p. 111].

Sales management plays a significant role in the process of establishing the import sequence. A significant amount of enterprises are trying to achieve the most sufficient balance in terms of creating efficient sales marketing [13, p. 45]. Moreover, the way of sales efficiency development is not easy and requires a complicated approach, aspects are which are mentioned in Fig. 1.1. The essence is to distribute imported production in the most suitable way, as it not efficient case when the enterprise is unable to sale all goods [20, p. 56]. The initial step is to define the meaning of import in terms of international trade.

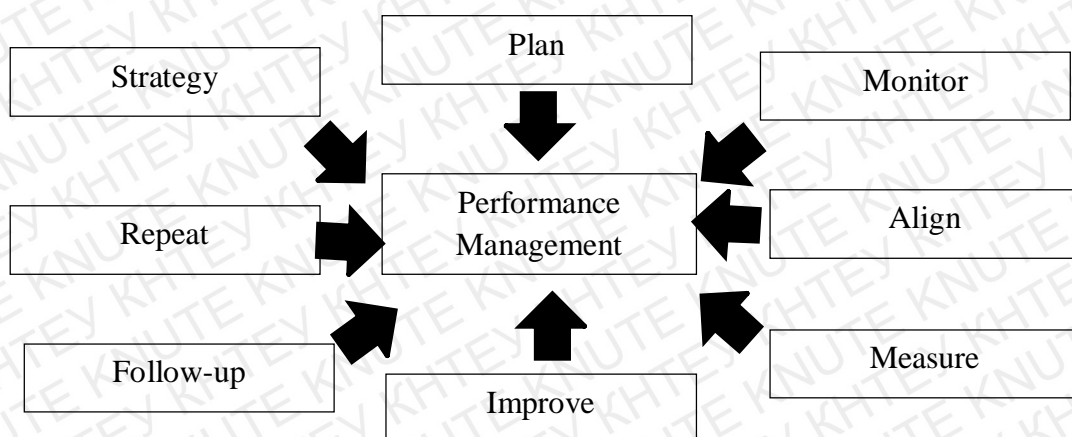


Figure 1.1 Import Sales Efficiency Improvement Diagram [18, p. 41]

Import is a form of international commercial activity, or trade, which is associated with the purchase and importation of foreign goods into the country of the buyer for subsequent sale in the domestic market [1, p. 91].

Special meaning have imported services, since in this case, the consumed service is created directly on the territory of the importing country. Border crossing is relevant only for material and intellectual resources, the totality of which is necessary for the production of relevant services. Imported goods can be both finished products intended for sale and raw materials for processing [69, p. 112]. A prerequisite for the import operation is the solvency of the importer.

From a formal point of view, the import refers to:

- import into the country of goods of foreign origin from the country of the manufacturing company or from the country of the international reseller both for production purposes and for personal consumption [15, p. 88];
- import of goods from free zones or bonded warehouses;
- the importation of goods for processing under customs control, which involves the subsequent processing or assembly for the purpose of exporting the final goods containing the previously imported goods in processed form or an altered role.

Impact of import on a country's economy. Countries that before others took the path of foreign trade, recommended restraining commodity imports, as they saw it as a competitor for domestic producers [23, p. 90]. In addition, it was noted that imports contribute to the outflow of gold from the country. Now we can talk about the outflow of foreign currency and the simultaneous weakening of its currency. To this day, many countries have imposed restrictions on the arrival of competitive imports.

Meanwhile, economists of the liberal direction of JS Mill, A. Marshall at the beginning of the 20th century. saw in imports great benefits as a powerful charge of economic development.

The benefits of importing are related to:

- with the expansion of opportunities to meet the needs of the country;



- increased competition, eliminating the conservatism of production;
- improving the structure of production by eliminating backward production and regrouping resources in favor of more efficient production [5, p. 73];
- the formation of incentives for a domestic manufacturer to improve the quality of its products.

The progressive import mission is to intensify the driving forces of transition to a higher level of production efficiency.

The benefits of imports in the development of the country began to be gradually realized, which led to the revival of the old ideas of free trade, which received the new name of an open economy, or a liberal development model. An open economy is formed when the economic field of the country has no prohibition for the penetration of foreign goods and capital. Impact of imports on a country's economy [38, p. 84]. To this day, many countries have imposed restrictions on the arrival of competitive imports.

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Distribution network can be defined as a structure formed by partners who are involved in the process of competitive exchange to provide goods and services available to individual consumers or industrial users. These partners are producers, intermediaries and final users – buyers [10, p. 60]. Any distribution channel performs a specific set of functions required for the exchange.

Sales functions:

- examine results of the market segmentation and planning advertising;
- contracts with consumers or intermediaries;
- accounting and monitoring of agreements; development plan for the shipment of goods to customers;
- definition of sales channels;
- organization receiving, storing, packaging, sorting and shipping of goods to customers;
- information, resources and technical support for the sale of goods [51, p. 82];
- sales promotion; establishment of feedback from consumers and regulation.

Performance review of functions leads to a distribution of commercial flows between members of the exchange, aimed in mutually opposite directions. Total sales channel flows can be identified five types:

- stream property rights: the transition of ownership of goods from one owner to the other;
- physical flow, consistent physical movement of goods from manufacturer through intermediaries to the final consumer;
- the flow of orders, orders received from customers and intermediaries and sent to the manufacturer;
- cash flow: different payment accounts, commissions, moving from the end user and the manufacturer intermediaries;

- information flow, the flow is distributed in two areas - information about the market moving in the direction of the manufacturer, information on products offered on the initiative of the manufacturer and intermediaries heading towards the market.

Thus, the presence of the distribution channel provides a division of functions and flows between participants exchange. The key question in the organization of the network is not whether there should be these functions and flows, but rather, who from the channel will follow them. You can watch a great variety in the distribution of functions not only for different markets, but also within the same market.

Objectives sales activities have come from the mission of the enterprise, be quantitatively measured and limited in time. The priorities should be with strategic objectives [32, p. 85]. In practice, strategic sales targets are often set as a market economy enterprises should direct its management activities in the field of marketing in strategic perspective.

High levels of spending always leads the company to search for improved methods of marketing. It is obvious that functions of sales can be passed, but they cannot be deleted. In terms of the company, the transfer of these functions to intermediaries is justified to the extent in which they are due to their specialization are able to perform them more efficiently and at lower cost than the manufacturer [40, p. 136]. The privileged position of marketers (distributors) in relation to the manufacturers due to five factors:

- reducing the number of contacts;
- economy on the scale;
- reducing non-functional liability;
- improving the range;
- improving the service.

Addressing sales promotion product begins with calculating the cost of the motivation for one of the following methods:

- method of calculating cash or opportunities for producers;
- method of calculating a percentage to total sales;

- competitive parity method or a balance that reflects the collective wisdom of the industry; calculation method based on specific goals and objectives [24, p. 69].

## **1.2. Factors Influencing Sales Efficiency Management of the Import Company**

Sales management efficiency is a highly important structure in the process of international trade, as it tightly connects with the retail efficiency. However, the market economy is set so that the subject is highly influenced by various factors, which come from completely different factors. Especially, when the situation relates to the international trade. The sales management efficiency can be influenced by external factors and internal factors, it is possible to divide them into subsections.

External determinants could be related to world's market situation, the technology development, trends on the market, political and natural situation, the demand among customers, completion rate, etc. The internal factors strictly can be described as the feature that influence the company inside its operational environment at all levels [34, p. 69]. Among them are management structure, finances, investments, number of supply channels, relations with foreign exporter-corporations, etc. It is essential that some factors are more important and influence sales efficiency while others role is not so remarkable. All in all, every criterion is valuable and forms such influence on the enterprise.

In developing a strategy for the sale of company's products, the organization takes into account numerous factors that are dictated by the existing market for goods [65, p.103]. Clearly set goals are set for a certain time period, and the sales strategy is aimed at their effective achievement.

Among the factors affecting planning, the organization of sales of products usually takes into account the following:

### **1. General Market Dynamics**



Under the general dynamics of the market is understood: the market is developing or shrinking, and to what extent. This may be, for example, certain statistics that the market grows by a certain percentage per year. It is a reasonable move to divide the period on 12 months. In terms of the conditions it is possible to make an efficient decision.

The sale of goods can grow, it can decrease, but it can also remain stable. The stability of sales is also a dynamic process, showing that the market has remained at the same level. Of course, individual considering sales, but, in general, the process of exchanging goods for money is continuous [43, p. 46]. Change is the most important Philosophical category, reflecting the process of dynamic development.

Market dynamics is a process of change over time of the volume, structure and level of sales of goods, turnover, profitability and the number of trading enterprises.

## **2. Seasonal Sales Dynamics**

Sales efficiency changes depending on the time of year, season, month. Time and season is the most probably known factor that is first remembered when planning and analyzing sales. It is characteristics of many products and services. For example, tourism services and construction rise in the summer. By the end of the year, the market for office equipment, computers and various types of equipment usually rises, especially when government organizations are in a hurry to realize their budgets. And after the New Year holidays, programmers usually earn well, who update the economic software after the next changes in legislation [48, p. 89].

This analysis of sales is necessary to understand which areas of the sales department are main sources of sales. The report allows assessing the dynamics of sales of each direction and timely identifying significant deviations in sales to correct them.

## **3. Competitors**

Any actions of competitors that could or may affect our sales. And both in a negative and in a positive direction. For example, new competitors have appeared on the market, which in one way or another will draw a part of their customers. Or, on



the contrary, some company ceased operations [60, p. 34]. Or someone conducts an advertising campaign, someone reduces prices, someone changes staff, management, etc.

Competition is the basis of a market economy, a powerful stimulus for economic growth, improvement of product quality, acceleration of scientific and technical progress and reduction of production costs and prices. Encouraging enterprises to reduce their production costs, leading to the elimination of burdensome for the society unprofitable industries, competition contributes to the intensification, increase the efficiency of social production [52, p. 60].

#### **4. Legislation**

Changes in the legislation in the analyzed period - past or future. Everything that has changed in the legislation may affect sales and it is desirable to immediately take this into account and evaluate.

Political factors seriously affect different types of businesses. This is especially noticeable in a country like Ukraine, where the political system is in the making phase. Usually political factors include:

- the political situation in the country;
- stability;
- loyalty of the authorities;
- industry protectionism;
- administrative barriers;
- property security system.

This should take into account such important driving forces as the change of the socio-political system, the outbreak of religious intolerance and the revival of nationalism [30, p. 21]. You cannot discount the threat of armed conflict, a sharp reduction in imports or exports, the introduction of an embargo and various trade sanctions designed for economic suppression.

#### **5. Product Range**

In the other name - goods and services, product line, product portfolio, etc. Any changes in the field of goods and services sold. This could be, for example, an increase or decrease in the range, new products, models, etc.

The product range is of great socio-economic importance, since it depends on the full satisfaction of consumer demand and the quality of trade services to market entities [44, p. 83].

The optimal range provides a significant increase in the efficiency of social production, the economical use of labor and material resources. The range of goods can vary to a certain extent, and the choice of a particular variety of goods is determined by the use value, consumer preferences for a particular product.

## 6. Pricing

Changes in the value creation, in prices, can be included in the previous item - product range - and they can be allocated separately. This may manifest itself, for example, in raising or lowering prices, changing pricing policies in general, etc.

As an economic category, the price is used to determine: the volume of production in terms of value; production growth rates; sectorial structure of industry and national economy; accounting of investments, fixed and current assets; the cost of manufacturing the product, since all that the product is made of is raw materials, materials, components, labor of workers, water, etc. has a price (see Fig. 1.2). With the help of prices reimbursed costs for the manufacture and sale of products.

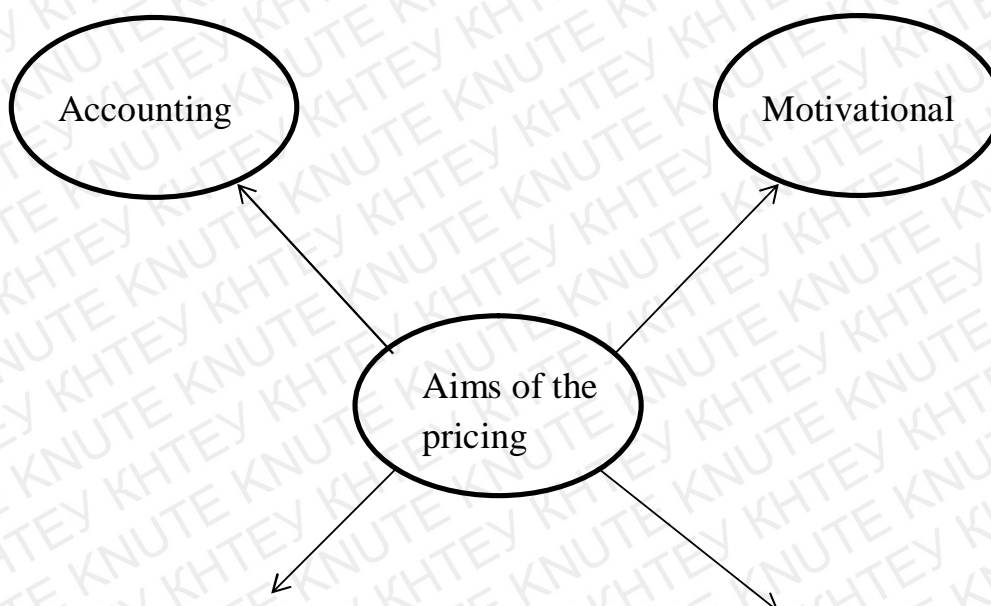




Figure 1.2 Aims of the Pricing [4, p.19].

## 7. Customers

Customers, customer base, direct buyers and / or dealers, intermediaries, etc. This could include all changes that have occurred among company's customers and / or partners in the overall distribution chain. Their number may increase or decrease, the ratio of different groups of customers, the number of shipments (sales, transactions), their size, etc., may change.

From a sales point of view, the work of any company is to satisfy the needs of the client and to benefit for their company. In all its manifestations, the whole point is to track the current demand. It is important to track the customer's needs and demand, as market trends change the whole business strategy [53, p. 51]. In case of the sales management, clients change the type and role of the suppliers and channels of distribution as well.

## 8. Distribution Channels

Here they can distinguish various changes in the ways of selling our goods and services in terms of distribution networks. Under the sales channels, this can be understood, for example, wholesale and retail trade, retail outlets, dealer networks, etc.

Distribution channels - a system of interconnected companies that make a product or service available for consumption or use. Distribution, retail, wholesale, corporate and irregular distribution channels. Distributor distribution channels - companies that purchase goods from a manufacturer or several directly. In this case, situations are possible when a manufacturing company sells its goods only through a network of distributors, or also in parallel through other sales channels [61, p. 11].



Wholesale distribution channels are companies that purchase goods from distributors and resell them to other wholesalers, or corporate and retail customers.

Wholesale firms differ from distributors in that they do not interact directly with the manufacturer. Retail sales channels are those companies that sell goods to end users. Retail channels include online stores. Corporate sales channels - those companies that purchase goods through all the above sales channels to meet their corporate needs. Irregular sales channels are represented by companies that make one-time purchases through any of the listed sales channels [49, p. 53]. Companies that transport goods, and are neither suppliers nor agents, are not considered part of the distribution channel.

## **9. Staff**

Dismissal or the arrival of new employees, changes in staffing, etc. The quality of sales management training, sales, marketing, sales staff. Any business strategy can be implemented only if the organization has efficient and experienced managers. The most important strategic resource of any company is a team of key specialists, the so-called management team. It is these people who will accompany your business, make decisions, on which its effectiveness will directly depend.

According to some experts, 30% of the company's success is provided by a specific specialist, and 70% is a developed management system. The modern market often dictates the need to invite managers from outside. However, the management team should not be formed solely from outside specialists, because employees whose potential you expect can get the impression that it's unrealistic to become a leader and participate in making important business decisions in your own organization.

The basis for the success of any leader is his actual, real behavior. Personal qualities are important only to the extent that they are manifested in real positive or negative behavioral patterns. Effective systems to ensure the continuity of leadership - a mechanism for growing their talents, a way to retain skilled workers [53, p. 23]. It has been scientifically proven that the longer a manager has been working under the



direction of one person, the more time he will need in order to tune out a new manager.

### 10. The company's activity in the market

This includes all types of activity of our own company, enterprise, in the market. These can be advertising campaigns to promote products and services, marketing activities, promotion campaigns to promote sales, discounts, lotteries, contests, etc.

As a rule, there are three forms of organization of the international activities of the company: 1) export; 2) the creation of joint ventures; 3) direct investment and the creation of production facilities abroad. The international marketing mix is a flexible, rationally structured set of adaptable marketing functions, the composition and content of which are subordinated primarily to the tasks of commercialization and promotion of goods and services in international target markets (see Fig. 1.3).

A firm acting in one or several foreign markets must decide whether it will exist at all and, if so, to what extent it will adapt its marketing mix to external markets. It can be standardized or adapted. The key position of the company is what position to choose for itself - from standardization to full adaptation [29, p. 71]. The standardized marketing mix assumes the use of the same mix for the internal and external markets and gives priority to the indicators of the efficiency of own production.

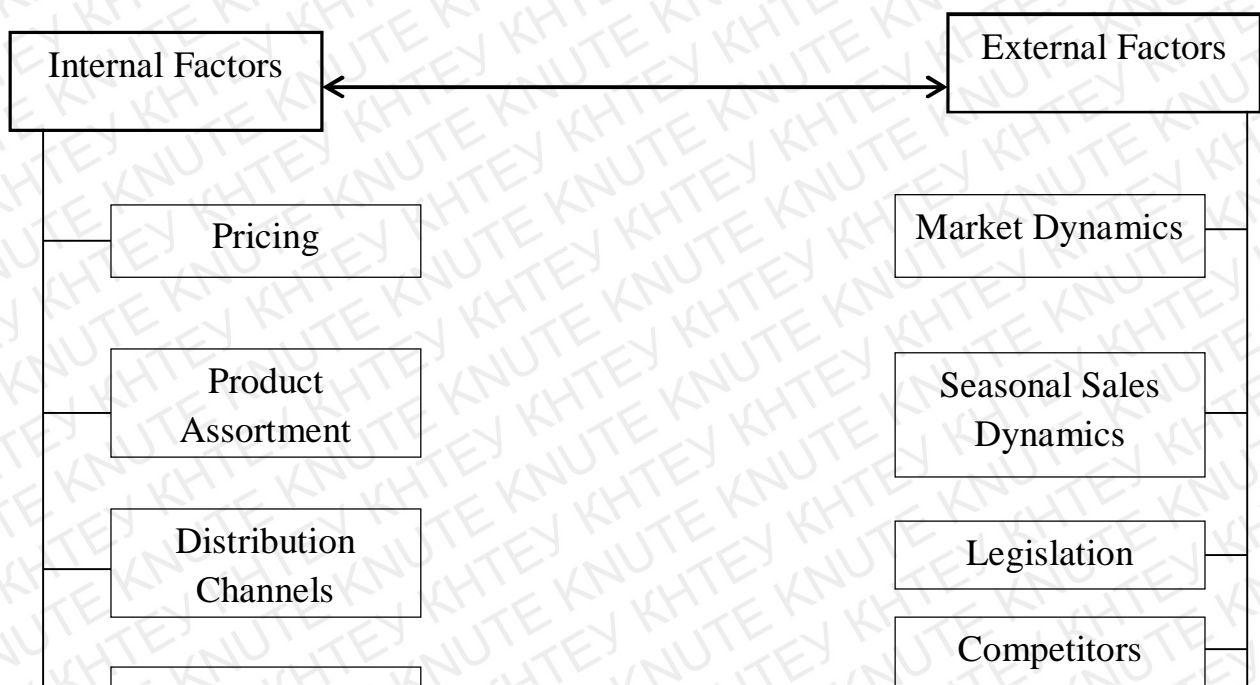


Figure1.3 Sales Management Factors Classification [4, p.43]

It is also important to review the loyalty of supplier, as influences a distribution at a great scale. Any manufacturer dreams of a reliable distribution system, which will allow him to take a leading position in the regional market and ensure success in competition. At the same time, only a few manufacturers manage to implement an integrated approach to the formation of the loyalty program of their business partners. This statement is true both when selling goods to the end user, and to the intermediary dealer / distributor. Research experience demonstrates that the lack of “loyal” distributors loyal to the brand or manufacturer can nullify all the activities of the company's management, both in improving product quality and developing or introducing new products, services or brands to the market.

Prior to the Internet for conducting a call for us, all countries, in a real life, in a local office, in a real life, in a local office, in a real life, in a local office, in a real life, in a country, in a regional office or in a country, in a regional office or in a private office, in a personal environment, in a personal environment, and in a group of customers. Taking into account the foregoing, one can conclude that sales policy plays an exclusive role in the activities of the enterprise, and sales promotion is one of the most important functions of strategic management. The use of a variety of tools, and the holding of various activities are precisely those tools that provide an effective marketing policy. It regulates its marketing strategy in such a way as to ensure maximum satisfaction of consumers. The dynamic development of the economy leads to the need for continuous research and monitoring of this area to ensure the growth of enterprises and the economy as a whole.

It is possible to observe factors at the figure at the Addition file enclosure. As it is mentioned above there is a significant amount of factors, based on the situation. These indicators can be classified as external and internal. External factors are related to the actions or events which happen outside company's operational environment. Internal factors can be described, as events and features which occur inside enterprise's operational activity [50, p. 99]. In terms of the international trade it is highly important to revise every factor and, in addition, there are few extra factors added. It is possible to state, that foreign countries their own lawsuits and restriction in terms of the trade, especially for the enterprise-importer. So it is important to take control over these factors in order to establish an efficiency of the sales management.

### **1.3. Methods of Evaluating Sales Efficiency Management of the Import Company**

The company's sales strategy is an important part of any operational strategy of an enterprise. The sales strategy helps to manage indicators such as the level of distribution of goods on the market, the breadth of the company's product range at points of sale, the quality and level of display of goods [18, p. 67]. In global practice, the growth of product distribution is considered as one of the simplest and most important sources of growth for a company [35, p. 118]. In this section the subject will be about the development and implementation of the marketing strategy of the enterprise, describe the detailed plan and stages of the sales strategy, teach you how to set the right goals and choose the most effective distribution channels for the goods (see Fig. 1.4).

Methods of evaluating  
sales efficiency

Ranking:



Methods based on sales efficiency:

- Analysis of sales records & records;
- Comparison of salesman's performance;
- Ratio analyses;
- Profit & loss

Figure 1.4 Methods of Sales Efficiency Evaluation [12, p. 13]

### **Profitability assessment**

This estimation can be illustrated in the Table 1. It is possible to see at the top line of the table (sales), then discounters are the most interesting from an economic point of view, then supermarket chains go, and department stores give the lowest figures in sales. However, the analysis of the profitability of the channels revealed a completely different picture. By calculating the gross profit for each channel as the difference between sales volumes in the channel and the cost of goods sold, we distribute the total costs for each channel, i.e. determine the amount of costs associated with storage, delivery, personal sales, advertising, and promotion of sales in the channel. Subtracting costs from gross profit, we get the net profit of each channel [4, p. 32]. And taking the ratio of profits to sales - the total value of their profitability. In proportion to these indicators, we determine the size of the score for each channel.

So we got the first ballroom score for each channel. Of course, the assessment of the economic efficiency of distribution channels is an important, but not the only criterion of their prospects [11, p. 89]. Another equally important criterion is the level of compliance of the channel with the requirements of consumers: from their point of view, the channels used are unequal. As an illustration, the Diagram shows the data on the distribution of preferences with

respect to places of purchase of office equipment. The main disadvantages of such information - it's too general. We recommend that you compare the data with actual company performance, for example, with the percentage of sales to target customers.

### **Manageability of channels**

The next criterion for assessing channels is the level of controllability, i.e. the ability to receive information about the market and consumers, to establish control over prices during resale, further movement of goods, etc. As a rule, such an assessment is made by the company's specialists or third-party experts. Relations with channel participants should be formalized by agreements providing for the mutual exchange of information and detailed market data [66, p. 45]. The absence of this information can lead to serious problems in the supply of products and subsequent maintenance, which will impede the satisfaction of the needs of customers in certain segments. The ability to determine the price for the end user is a very important competitive advantage of each supplier: consumers take your product or your competitor's product based on the price ratio [45, p. 79]. Intermediary price management can vary from strict requirements to price values to determine the levels of lower and upper prices for which the intermediary does not have the opportunity to go. Of course, such a requirement on the part of the supplier provides for further monitoring of compliance with the pricing policy.

### **Competition for working with the channel**

The level of competition for working with the channel can be illustrated by example. Suppose your company is planning to enter regional markets. In the region of your choice, two or three wholesalers for similar products are actively working. Contact with them showed that they are not interested in your product: they have stable local suppliers whose products are well received by the market. Such a channel as regional wholesalers with a wide range of products will receive a minimum score for the competitiveness parameter [4, p. 164]. Another example

is retail chains, which suppliers often limit because of the high level of competition.

### **Perspectives of sales channels**

The viability of the channels needs to be assessed in terms of long-term trends. According to experts, the wholesale link of the distribution chain will soon specialize: logistics companies and specialized wholesalers will receive a greater advantage. The size of the group of traditional wholesalers is shrinking [21, p. 87]. At the same time, the share of organized retail in retail sales is increasing. Retail chains are a promising channel in terms of long-term trends. Current trends in the development of distribution channels are monitored and regularly published by ACNielsen.

### **Additional rating options**

In addition to these, the most common indicators, many companies use other - narrower criteria for evaluating the operation of channels. The need to use them is determined by the specifics of the company's business, the level of competition in its market and a number of other factors. The most common additional evaluation parameters: - sales; - percentage of sales to target customers; - sales growth rates; - inventory turnover; - the average level of inventory; - demand for additional services provided by the supplier [6, p. 49]. So, after analyzing and evaluating each of the existing or planned channels, we draw up a summary table with data on each of them. Below is an example of such a table (see Table 1.1).

Table 1.1

Comprehensive Assessment of Distribution Channels [6, p. 51]



Channels	The rate of channels meeting customers' expectation	Manageability of channels	The rate of competition	Perspectives of channels	Final score	Profitability
Channel 1	6	8	5	10	8	37
Channel 2	3	3	9	2	8	25
Channel 3	7	7	9	8	9	40
Channel 4	2	4	9	1	3	19
Channel 5	8	10	9	7	9	43
Channel 6	5	2	1	1	1	10

As you can see, the most promising channels are 5 and 3. The growth in sales in these channels should exceed the overall growth in the company's sales. On the contrary, the lowest level of sales is in channel 6. Obviously, it is necessary to close it and redirect the flow of goods to other, more promising distribution channels [6, p. 51]. This table can be illustrated more clearly by an example from practice.

**Reducing the number of contacts** provided by the way of organizing the trade through the wholesaler. Here is an example: product made by 3 producers and consumers consume 5. There are two most common schemes for goods:

1. without intermediaries, directly - each manufacturer associated with each customer; number of relationships in this scheme is the product of the number of producers on the number of customers, ie  $3 \times 5 = 15$ ;
2. indirectly - every manufacturer and every customer connected only with the intermediary; number of relationships in this scheme is the sum of the number of producers and the number of customers is  $3 + 5 = 8$ . Such a scheme sales is called centralized, more efficient, so that reduces the number of actions to ensure the coordination of supply and demand [6, p. 67].

**Economies of scale** sales operations is obtained by grouping offers of manufacturers. Mediator can perform certain functions at a higher level than a single manufacturer. For example, the cost of wholesale sales representative firms can be

shared by several manufacturers. As a result, the cost of sales decreased performance features compared to the option when each producer should have its own sales force.

**Reducing non-functional liability** between deliveries and customers is also secured through intermediaries. Buying large quantities of goods, providing storage and split into small parties, wholesalers and retailers enable producers and consumers to deal with them more user-scale deliveries [70, p. 71]. In the absence of intermediaries manufacturer had to produce products in small quantities to adapt to the volume of orders received from individual customers. In addition, it would be forced to build large reserves. If an organization takes on two different activities, such as production and sales, the optimal extent of which is different, it has to make at least one of these species level, which is more or less optimal [6, p.81]. The result will be higher costs compared to the case.

**Improving range of products-** one of the requirements of consumers. The range offered by the manufacturer are more determined by the requirements of uniformity in production, used raw materials and technological knowledge, etc., while the range of interest to the buyer, is dictated by the situation of consumption and interchangeable products [57, p. 23]. Typically, customers need a variety of products in small quantities, while manufacturers produce a limited range of goods in large quantities. Thus, the role of intermediaries is to provide a variety of goods to buyers in one transaction could purchase multiple products, saving on both time and effort required. Similar savings generated for the producer. For example, a firm that specializes in a particular instrument, cannot open their shops, if not they will offer a wide range of goods, usually available in the stores of this type [6, p. 84]. Obviously, a trader easier to provide this range, referring to several producers, especially if they are competitors.

**Improving service** provided the buyer realized by an intermediary, because it is closer to the buyer knows best local terms and conditions of use of the goods. Mediator easier to adapt to local conditions, provide better after-sales service and



other services. However, the preferred agents are not inflexible. In a competitive intermediaries constantly have to improve service quality and reduce costs.

It is possible to estimate the enterprise's operational activity with the help of ratios, such as:

$$RE = \frac{NP}{SE} \quad (1.1)$$

Return on equity ratio, where NP – net profit, gained by the enterprise in the calculated period, SE – shareholders' equity [59, p. 34]

$$OER = \frac{OC}{R} \quad (1.2)$$

Operating expenses ratio, where OC – operational costs, R – revenue. The measure aids in calculating the operational expenses effectiveness [48, p. 51].

$$NPM = \frac{NI}{TS} \quad (1.3)$$

Net profit margin, where NI – net income, TS – total sales [23, p. 34].

$$ROAR = \frac{NI}{TA} \quad (1.4)$$

Return on assets ratio, where NI – net income, TA – total assets [41, p. 8].

One of the organizations is to analyze sales marketing costs, trade margins definition, development of measures to improve the profitability of operations and sales of products of the company as a whole. In the analysis of marketing costs are considered expenses for the following functions: transport, sale range, storage, contacts, information, sales management, and other expenses [6, p. 99]. Keep in mind that long effective distribution channel for small sales volumes and short channel - with significant.

Motivation includes all marketing activities: development of marketing concepts, information, market research, stimulate increasing competitiveness of goods, organization of all departments of the company from the standpoint of marketing, advertising, merchandising, planning and control of marketing [13, p. 88]. Funds for incentives in each area can be divided into two parts: 1) to pay all costs for the solution of the problem (for example, payment of market research, advertising, etc.) and 2) an additional payment or bonuses of employees of any company



departments involved in the implementation of the marketing concept. For example, designers and are paid a premium for their tasks, but if they have completed work on the requirements of the marketing concept, it should be further stimulated and that [8, p. 54].

Perform any work-oriented consumer is very difficult, so the quality and intensity necessary to stimulate labor. Size is determined differentiated premiums. In addition to material incentives and moral incentives are applied. Among the areas of marketing incentives to stimulate highlights the object as the final result. Incentive object - use of various means of stimulating effects designed to accelerate and / or enhance the response of the market. These include consumer incentives, trade, promotion of their own sales staff of the company [17, p.29]. Among the areas of marketing incentives to stimulate highlights the object as the final result. Incentive object - use of various means of stimulating effects designed to accelerate and / or enhance the response of the market. These include consumer incentives, trade, promotion of their own sales staff of the company [7, p.30]. Among the areas of marketing incentives to stimulate highlights the object as the final result. Incentive object - use of various means of stimulating effects designed to accelerate and / or enhance the response of the market. These include consumer incentives, trade, promotion of their own sales staff of the company [36, p. 31].

Creating, improving marketing departments and marketing, the company's management must decide for yourself the most important question: what channels to use that marketing strategy is needed. To help resolve these issues can only present a comprehensive analysis of the external and internal situation of the company, job specific goals and objectives of the company [41, p.201]. Only those having the goals, you can work out any strategy.

The complete study marketing activities and other measures cost very expensive. The right choice of distribution channels, methods of promotion, pricing and sales promotion - are the main problem head of sales. And the situation here is

whether many people better than marketing. After all, these measures require considerable funds [19, p. 55].

Not forgetting the value of sales for the division, should be given due attention and marketing. The complete market research and other activities cost very expensive. And especially in our largely unstable economic situation. After all, not even all big foreign companies the strength to carry out these measures own funds [12, p. 35].

Each selection must be preceded by a full and thorough study of the situation, whether specialists of the department or outside experts.

So these were the basic principles of marketing of the company aimed at the full, breakeven love being on the market [5, p. 46]. This is intended to help policy measures and sales activities and distribution policy.

## **Conclusion to the Part 1**

It is possible to conclude that the sales management plays a significant role in the international company's operational process. There is a great need in this sequence on the market, as enterprises should find a way to distribute their products on foreign market. The most important feature is to search for reasonable channels of sales management with the aim to gain more efficiency. The subject also operates a various functions with the aim to aid the company, among them are informational flow, promotional campaign, logistics and even organization of the cash flow. As it is mentioned above, the sales management is an important feature in terms of organizing the distribution process of the imported goods.

Increasing importance for the Department of seed today is the struggle for the client. This struggle is impossible without a comprehensive study and analysis of marketing in the market. Effective marketing nowadays means a serious interaction between marketing and sales services. Although formally of marketing and sales is not actually connected, marketing services make full use of all that they can provide marketing, and marketing - based on sales, as one of its main components.

In this way, we can use the economic security indicators, because not only positive factors influence on the enterprise activity, but also negative. These indicators allow assessing financial state of the enterprise, obtaining comprehensive information which is important in providing estimation of export products sales of the factory. The economic security indicators consist from four groups: liquidity and solvency ratios; turnover ratios (business activity); financial sustainability ratios; profitability ratios.



## **ANALYSIS OF FINANCIAL AND ECONOMIC ACTIVITY OF THE LLC “ALTAVENT”**

### **2.1. Dynamics of Financial and Economic State of LLC “Altavent”**

The Ukrainian market of ventilation systems and air conditioning demonstrates a high competition among companies. The industry is demanded in Ukraine, as the climate is temperate and the country also is situated in a various temperature regions. In addition, the hot summer stimulates the demand in terms of the private air conditioning. From the other hand, in terms of the market economy, large office buildings require a complex system of the ventilation system. It is possible to conclude that this industry is demanded among on the international market.

Taking into account that Ukraine does not produce in a required amount air conditioners or specific equipment, such as large power ventilation systems. Moreover, the domestic manufacturers do not provide a high-quality products, as a result enterprises are forced to contact with foreign producers, which provide more reasonable offers at some point. The most popular systems are sold by the following countries - Hungary, Greece, Poland and two most popular countries – China and Japan. Taking into the account Ukraine’s geographic position, enterprises are forced to work through third-party companies in some cases. However, most of the manufactures provide a various amount of representatives in countries, which provides an opportunity to contact in a direct way [15, p. 32]. So the air conditioning and ventilation systems industry is highly connected to an international trade and requires a strict and efficient control over the activity. Finally, the sales management is also highly important as companies should interact with different structures with the aim to distribute and realize their production.

In order to analyze the company’s performance, it is possible to look at the Altavent’s balance sheet from 2013 till 2017 and estimate financial and economic ratios.

Firstly, let us take a look at assets estimation of LLC “Altavent” in the period from 2013 till 2017 years. In the year 2013 the company demonstrates a total of 19315 UAH of fixed assets. It is essential as the company uses a significant amount of equipment and tools. In addition, the business is not a large corporation, so most of the corporal assets are tools of labor. And the company does not own any service cars. Finally, mostly the firm operates in the service field, so there is no need for the large warehouse area. In 2013 the company demonstrated the highest value of fixed assets, apart from that the lowest rate was in 2017, where the ratio equaled 6743 UAH. The situation could be due to political and economic events in Ukraine during that period.

Taking into account all above mentioned, it is possible to see the absolute deviation of balance’s statements and, essentially, compare them. The most negative deviation is presented in a comparison of years 2017 – 2016 and equals -9168 UAH. The second downfall of ratios is seen in terms of 2014 and 2013 years this ratio states -4718 UAH. That means that during these years LLC “Altavent” lost this value of assets, due to a various reasons, in addition to that, some of the equipment was out of date and was its price on the market was decreased. The most positive ratio in terms of the absolute deviation is seen during 2016 and 2015 years as total assets where in plus and were estimated by 963 UAH. This demonstrates the chain of factors which can affect the enterprise. As an example, it could be a growing demand on air conditioning systems and the overall economy level growth [11, p. 256].

In terms of current assets, LLC “Altavent” demonstrates more positive statistics. As there were no negative ratios among statements (see Table 2.1). In that case the company had the most negative period in 2013 and 2014, as the absolute deviation equaled 115 and in 2015 – 2016, as this ratio was 757 UAH. The most positive ratio was present in 2017 as it the statement equaled 42178 UAH.

Table 2.1

## Assets Dynamics Shortage of LLC “Altavent”

Asset Item	Absolute Deviation (+/-)				Relative Indicator, (%)				
	2015/2014	2016/2015	2015/2014	2016/2015	2015/2014	2016/2015	2015/2014	2016/2015	2015/2014
Total fixed assets	-4718	351	963	-9168	76	102	106	42	-4718
Total current assets	115	5077	757	42178	101	2	105	371	115
Balance	391	-285	7433	33010	102	99	131	205	391

Source: constructed and calculated by the author on the basis of financial statement of LLC “Altavent” for 2013-2017 (Appendix C).

The Next Analyses is regarding liability statements of LLC “Altavent”. In the Appendix C, it is possible to see the overall statistics and dynamics of LLC “Altavent” liabilities. In the Table 2.2, it possible to observe the shortage in terms of the Absolute deviation regarding equity and liabilities.

Table 2.2

## Liabilities Dynamics Shortage of LLC “Altavent”

Asset item	Absolute indicators, (+/-)			
	2014/2013	2015/2014	2016/2015	2017/2016
Shareholder equity	-759	-104	-3788	5723
Total equity	-1278	-511	-1777	14560
Total short-term liabilities	-2566	330	12998	12727
Balance	-4603	-285	7433	33010

Source: constructed and calculated by the author on the basis of financial statement of LLC “Altavent” for 2013-2017 (Appendix D).

It is possible to state that “Altavent” seriously depends on its own equity, as it is often twice or more higher, than a shareholders’ equity. Especially in 2017, the company gained a plus 12727 UAH in its own equity. This situation could be described as an option to improve the late year’s quite negative performance. However, at the same time, the company has reduced liabilities in 2014, but, as it is



mentioned above, the overall financial year was quite negative (see Table 2.3). Finally, LLC “Altavent” demonstrates dynamics, that most of liabilities come from payable for commodities, work and services. It is essential, as the enterprise, provides air conditioners along with service and does not produce any satellite products, such as vents or shafts. The overall LLC “Altavent” dynamics are positive.

Table 2.3

Financial Results Structure and Dynamics of LLC “Altavent” in 31.12. 2013 to 31.12.2017, ths UAH

Indicator	Value, ths UAH					Absolute deviation (+/-)			
	2013	2014	2015	2016	2017	2014/ 2013	2015/ 2014	2016/ 2015	2017/ 2016
Net revenue	14567	15369	20667	16074	47309	802	5298	-4593	31235
Cost of sales	18460	15118	17624	11047	27214	-3342	2506	-6577	16167
Other operational Income	200	1457	1860	756	3450	1257	403	-1104	2694
Other financial Income	466	0	0	0	261	-466	0	0	261
Other Income	0	0	0	183	75	0	0	183	-108
Administrative Expenses	1033	985	1424	1597	1312	-48	439	173	-285
Sales expenses	2988	34	2	1306	1892	-2954	-32	1304	586
Other operational Expenses	2584	591	178	579	2486	-1993	-413	401	1907
Other exprnses	0	80	1146	450	525	80	1066	-696	75
Income before a taxation	-9832	18	2153	2034	17666	9850	2135	-119	15632
Income after a taxation	0	0	0	0	0	0	0	0	0

Source: constructed and calculated by the author on the basis of financial statement of LLC “Altavent” for 2013-2017 (Appendix E).

It is possible to state that the enterprise has overly performed in a positive way. As Income before a taxation in most of the periods is in a plus range. The most negative dynamics is present in the year 2013 (see Table 2.4); the company had an overwhelming cost of sales and high sales expenses. Which makes a statement regarding company’s problems with a sales management. Finally, the most positive year is 2017, as the company made a significant revenue, which stated 17666 ths UAH.

Table 2.4

## Profitability Ratios on LLC “Altavent” in 2013-2017

Indicator	2013	2014	2014	2015	2017	2014/ 2013	2015/ 2014	2016/ 2015	2017/ 2016
Net Profit Margin	-0,44	-0,02	0,14	0,28	0,37	0,42	0,16	0,14	0,10
Return on Assets	-0,22	-0,01	0,10	0,14	0,27	0,21	0,11	0,05	0,13
Return on Equity	4,92	4,76	5,94	25,80	9,29	-0,17	1,18	19,86	-16,52
Operating Expenses Ratio	0,1774	0,0385	0,0086	0,0360	0,0525	-0,14	-0,03	0,03	0,02

Source: constructed and calculated by the author on the basis of financial statement of LLC “Altavent” for 2013-2017.

Taking a look on the Table 2.4, it is possible to state, that the most positive Net Profit Margin was present in 2017, as 37% of all sales were defined as a profit for a company. The worst ratio is present in the period 2014-2013, as the enterprise did not get any revenue.

Return on assets ratio was the most positive in 2017, as every UAH invested in assets brought 27 UAH of Net Income. The worst ratio is present in 2014, as it stated a negative dynamic in the company’s operational activity. As to Return on Equity, the company made the most profit in 2015 out of investments. The OER states that company operates efficiently [12. p.11]. So it is essential, that LLC “Altavent” operates in a decent condition.

Table 2.5

Solvency and Liquidity Ratios and its Dynamics on LLC “Altavent” in  
31.12.2013-31.12.2017, ths UAH

Indicator	Value, ths UAH.					Absolute deviation(+/-)			
	On 31.12. 2013	On 31.12. 2014	On 31.12. 2015	On 31.12. 2016	On 31.12.2017	2014/ 2013	2015/ 2014	2016/ 2015	2017/ 2016
1. Working capital	-902	1779	6526	-5715	23736	2681	4747	-12241	29451
2. Current ratio	0,91	1,22	1,79	0,73	1,70	0,31	0,57	-1,06	0,97
3. Quick ratio	0,45	0,31	0,66	0,17	0,87	-0,14	0,35	-0,49	0,70
4. Cash ratio	0,2224	0,0001	0,0019	0,0031	0,4113	-0,2224	0,0019	0,0011	0,4083

Source: constructed and calculated by the author on the basis of financial statement of LLC “Altavent” for 2013-2017.

In Table 2.5, it is possible to observe capital ratios of LLC “Altavent”. The working capital for both 2014 and 2016 states a negative dynamic; however, in other periods that ratio is in surplus. In terms of the cash ratio, the enterprise’s most positive period was present in 2017, as it could repay 41% of liabilities via cash. However, in other period the company did not possess cash and their equivalents much. Other sections are in normal positions and measure for an enterprise.



In Table 2.6, it is possible to see turnover ratios for LLC “Altavent”. In terms of assets, the most positive ratio was in 2017, as every UAH in assets generated 27 cents, apart from that in 2013 it was in a negative state.

Table 2.6

Turnover Ratios (Business Activity) on LLC “Altavent” for 2013-2017, the UAH

Indicator	Value					Absolute deviation, (+/-)				
	2013	2014	2015	2016	2017	2013/ 2012	2014/ 2013	2015/ 2014	2016/ 2015	2016/ 2012
Assets turnover ratio	0,11	0,08	0,12	0,14	0,27	0,21	0,13	0,02	0,13	-0,06
Inventory turnover ratio	5,09	2,72	3,08	1,43	1,24	-2,37	0,36	-1,66	-0,18	-3,61
Accounts payable turnover	1,05	1,06	1,06	9,08	2,04	0,01	0,00	8,02	-7,04	-2,03
Accounts payable turnover (days)	348	345	345	40	179	-4	0	-304	138	-182
Accounts receivables turnover	1,54	0,87	0,53	1,26	1,13	2,58	0,67	0,73	-0,13	1,45
Accounts receivables turnover (days)	134	2615	688	290	324	2481	3303	398	33	- 2804

Source: constructed and calculated by the author on the basis of financial statement of LLC “Altavent” for 2013-2017.

“Altavent” sells its inventories efficiently and has sold in every period almost all inventory, this result correlates with the company’s activity specialty. In addition,

it is possible to see that the company pays its suppliers in a decent form. Finally, the overall turnover ratios are in a normal state. And the most negative year was 2013 and the most efficient 2017. In Table 2.7 it is possible to see the overall sustainability ratios which demonstrate the dynamic in the period from 2013 to 2017.

Table 2.7

Financial Sustainability Ratios on LLC “Altavent” in 31.12.2013-31.12.2017, ths UAH

Indicator	Value					Absolute deviation (%)				
	On 31.12.2013	On 31.12.2014	On 31.12.2015	On 31.12.2016	On 31.12.2017	2014/2013	2015/2014	2016/2015	2017/2016	2017/2013
Equity-to-assets ratio	0,43	0,46	0,45	0,29	0,37	0,03	-0,02	-0,16	0,08	-0,07
Financial Leverage (Debt-to-Equity Ratio)	1,79	1,55	1,65	17,44	4,90	-0,24	0,10	15,79	-12,54	3,11
Fixed assets to current assets ratio	2,01	1,50	1,01	1,02	0,12	-0,51	-0,49	0,01	-0,91	-1,90
Fixed assets to equity ratio	3,29	2,86	2,99	13,05	0,97	-0,43	0,13	10,07	-12,08	-2,32

Source: constructed and calculated by the author on the basis of financial statement of LLC “Altavent” for 2013-2017.

Taking into account all above mentioned and illustrated tables, it is possible to state, that LLC “Altavent” is in a decent shape and all ratios are in normal positions. Reviewing the relative deviation, it is possible to mention that the most positive year was 2016, as the company gained 6% of current assets, comparing with the previous

year. However, it is possible to see that the company was in a crisis in 2014 and managed to overcome it. In addition, in 2017 LLC “Altavent” managed to improve its overall performance, as it received major investments and generated an own equity. As a result, the overall revenue was increased, allowing the company to operate in a normal way.

## **2.2. Analysis of foreign trade of LLC “Altavent”**

LLC “Altavent” is one of the many companies which operate in the mentioned above industry. The company takes place in the medium – low large enterprises which operate on the market. The company was found in 2004 and continues to operate in this sector till present day. Altavent distributes a large selection of equipment and software which comes from different manufacturers with famous names. Among them is possible to state the following selection – USA, Sweden, Japan, China, Poland, Germany, Spain and Hungary. In addition, the company cooperates with Ukrainian manufacturers. So it is possible to state that Altavent has a strong cooperation with foreign companies in terms of the trade and cooperation.

The regular partners of LLC are Asian countries, which make almost 50 % ratios out of all products import. Among them it is possible to name three major countries – Japan, China and Thailand. Amount of products, which are imported from Europe states around 30% out of all imported goods. Main partners of LLC “Altavent” are Hungary, Sweden and Germany. The other third of overall goods come from Ukrainian partners – 30% out of all goods. The company does not provide any goods export operations except for providing services abroad. Works contain equipment installation and various repairs of ventilation systems, this operational



activity is performed in various countries. In this state, it is possible to mention Belarus, Poland, Romania, Hungary, Moldova and Bulgaria.

LLC “Altavent” cooperates with following brands: “Galactic”, “Mitsubishi Electric”, “Sakata”, “Midea” and Panasonic, which are originally from Asian air conditioning market. In terms of the European market, the enterprise collaborates with “Daikin”, “McQuay”, “Cooper&Hunter” (see Fig. 2.1). In addition, the company has partners in Ukraine and one the largest in “Vents”. It provides technical supplies and various ventilation shafts and tubes, moreover, it provides tools and refined equipment for service purposes. While the machinery and conditioners are mainly bought from foreign companies, which were mentioned above.

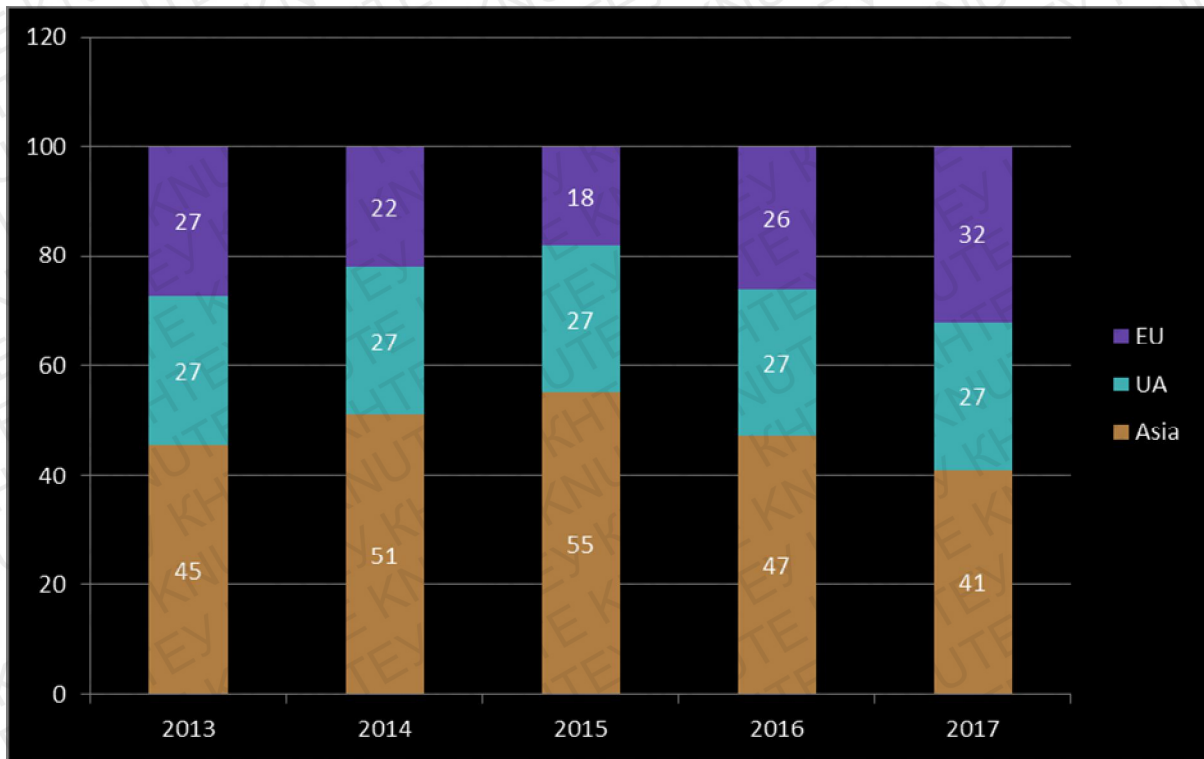


Figure 2.1 Share of External and Internal Importers and Partners of LLC “Altavent” for 2013-2017, %

Figure 2.1 represents the amount of imported products from various countries. As we can see, the Ukrainian partnership took the same ratio in the whole periods. As the company cooperates with them on a regular purpose and purchases satellite goods from the. So Ukrainian share in the whole import equals 27%. The share of EU import has increased, in 2013 it equaled 27% and in 2017 the ratio has grown up to

32%. Which is the largest number in this section, the least portion of trade was performed in 2015 and equaled 18%.

In terms of Asian market the share is the largest and was slightly decreased over mentioned period. In 2013 the ratio was 45% out of all import and in 2017 it equaled 41%. This states that the company reduced the import from Asian countries and, at the same time, increased the number of European cooperation. The highest ratio was present 2015 and was 55% out of all import and the lowest rate was present in 2017 – 41%. It is possible to conclude, that LLC “Altevent” started to orient of European market more.

In the Table 2.9 it is possible to see air conditioning goods structure of LLC “Altevent” in terms of the export. In this particular case, the enterprise purchases a large amount advanced machinery. Such as boilers, recuperators, air conditioners, vent machines, air conditioning machines and heat pumps. As this equipment should be highly technological, the company imports it from various foreign companies.

Table 2.9

Air Conditioning Structure of Import Products of LLC “Altevent” for 2013-2017

Product names according to UCGFEA	2013		2014		2015		2016		2017	
	units	%	units	%	units	%	units	%	units	%
1. Boiler	24	19,51	26	18,44	31	18,45	25	18,80	45	17,11
2. Recuperators	17	13,82	21	14,89	25	14,88	20	15,04	34	12,93
3. Conditioners	35	28,46	39	27,66	49	29,17	37	27,82	67	25,48
4. Vent machines	7	5,69	9	6,38	11	6,55	10	7,52	33	12,55
5. Machines for air conditioning	19	15,45	22	15,60	25	14,88	20	15,04	36	13,69
6. Heat pumps	21	17,07	24	17,02	27	16,07	21	15,79	48	18,25
Air conditioning equipment and machines (8415)	123	100	141	100	168	100	133	100	263	100

Source: table constructed by author based on import reporting of LLC “Altavent”.

International trade is an important means of developing the national economy, since it helps to increase labor productivity and increase the overall production. States exporting their products to other countries receive a significant economic gain due to the development of specialized industries that have relatively higher efficiency compared to countries producing similar products.

In terms of boilers, the company has purchased 24 units in 2013, which stated almost 20 percent out of all deals. In 2017 this ratio was increased almost at a twice rate and equaled 45 units. The highest number of boilers was present in 2017 and the lowest in 2013. At the same time, the largest percentage was in 2013 and the lowest in 2017. This dynamic demonstrates that the company has increased the overall volumes of purchased goods, however, the rate of purchases was decreased. Finally, boilers are one of the largest imported goods.

Recuperator is a special purpose counter-flow energy recovery heat exchanger positioned within the supply and exhaust air streams of an air handling system, or in the exhaust gases of an industrial process, in order to recover the waste heat. The overall dynamic demonstrates that the amount of units purchased has grown almost in a third rate. As in 2013 the number of these items was 17 and in 2017 34 units, at the same time a percentage to an overall import was decreased by 1% which is not a major issue. Once again, the highest volume of bought recuperators was in 2017 – 45 units and the lowest rate was in 2013. At the same time, the largest stake from import took place in 2013 – 19% and the lowest in 2014 – 18,44 % out of all imported goods.

The company’s main productions – air conditioners, in 2013 the number of units was 35 and 2017 this measure was grown up to 67. The company has imported a twice number of the compared periods. At the same time, the rate compared to the whole import was decreased, as 2013 air conditioners took 28% out of all products



and in 2017 this number was decreased by 2% and stated 25%. The highest number of conditioners was imported in 2017, however, the largest rate out of all import was in 2015, as it equaled 29%.

Vent machines are needed in the process of air circulation's organization. These machines required in an industrial and office buildings, where the air conditioning plays a major role. In 2013 the company imported 7 vent machines and in 2017 this number stated 33. The highlighted dynamic demonstrates that the number of imported machines has increased by 24. Apart from that, vent machines in 2013 took 5% out of all import and in 2017 this ratio was increased up to 12%. Again the lowest volume of imported units was recorded in 2013 and the highest number in 2017. Moreover, the same statistics is present in terms of the overall import share – highest in 2017 and lowest in 2013.

Machines for the air conditioning are one of the most important goods in terms of the whole operational activity. In 2013 the number of imported units was 19 against 36 in 2017. This correlation demonstrates that the volume of units was increased by 17. At the same time, the share which they brought to the overall import was decreased. As the ratio in 2013 equaled 15% and in 2017 was reduced to 13%. Apart from that, the highest volume ratio was present in the year 2017 and the lowest in 2013. However, the largest share in terms of the overall import was in 2014 – 15,6% and the lowest in 2017 and equaled 13%.

Heat pump is a device that transfers heat energy from a source of heat to what is called a heat sink. Heat pumps move thermal energy in the opposite direction of spontaneous heat transfer, by absorbing heat from a cold space and releasing it to a warmer one. In 2013 the company has imported 21 unit of these devices, which stated 17% out of all imported goods. At the same time in 2017 LLC “Alyavent” imported the volume of 48 hear pumps, and that ratio stated 18% out of all import. At the same time, the overall dynamics demonstrates that the overall volume of imported units was increased almost at a double rate, however, the correlation to overall import has decreased by 1%. That statistics is not a huge deviation, so the reduction was quite

small. The highest number of purchased heat pumps was recorded in 2017 and the smallest in 2013 and 105 years. Apart from that, the largest share in all import is present in 2017 year – 18% and the lowest in 2016 – 15%.

In Table 2.10 it is possible to see the commodity structure of imported goods in the following period 2013 – 2017. As it is clearly seen that LLC “Altavent” started to cooperate with Europe more over the years. In 2013 the company purchased a total of 89 goods from foreign countries. Especially, 53 from Asia and 33 from Europe, taking into account Ukrainian purchases. It is essential that in this year Asian import takes 55% superiority over European region. At the same time the overall price was stated as 5765982 UAH, which was again almost more than a half of the whole import. Comparing with 2017, where that ratio was increased in almost 10 times. However, the ratio of Asian import was decreased by 10% and EU import was increased in 8%.

Table 2.10

## Commodity Structure of Imported Products of LLC “Altavent” for 2013-2017

Year		Asia	In % to import	EU	In % to import	Total	In % to import
2013	unit	55	63	33	38	89	100
	UAH	5765982	63	3423457	38	9189439	100
2014	unit	72	70	31	30	103	100
	UAH	7324892	70	3467146	30	10792038	100
2015	unit	92	75	30	25	123	100
	UAH	9431569	75	3287965	25	12719534	100
2016	unit	63	64	35	36	97	100
	UAH	6292232	64	3514574	36	9806806	100
2017	unit	108	56	84	44	192	100
	UAH	10857963	56	8539946	44	19397909	100

Source: table constructed by author based on import reporting of LLC “Altavent”

In 2014 the firm has imported 103 units of products and this stated the sum in 10792038 UAH. In details, goods from Asia were purchased at the volume of

72 units which stated 70% of an overall import. Apart from that, products from EU stated 31 units and concluded 31% out of all import. The dynamic illustrates that the overall import from Asian countries was increased.

In 2015 LLC “Altavent” has imported 123 products from foreign countries. Reviewing the products’ origins, it is possible to state that 92 units were from Asian countries and 25 were from EU. In terms of the overall relation to an import, countries from East took 75 % out of all import, while EU took only 25%. At the same time, the import value equals 12719534 UAH and Asian goods took more than a half out of it – 9431569 UAH. In this case, the statistics is quite constant – the growth of Asian share and the reduction of European goods.

In 2016 the company has imported 97 products and the overall financial value was estimated as 9806806 UAH. Asian products were imported at the volume of 63 and that ratio stated 64% out of all export. At the same time, the European air conditioning equipment was purchased at a volume of 64 and stated 36%. The overall statistics shows that the sequence of import from Asian countries starts to decrease. Moreover, the share of EU products starts to increase as it takes almost twice higher than in previous years.

In 2017 LLC “Altavent” made a remarkable twist in the operational activity. In the period the amount of imported goods stated 192 and the overall financial value is estimated by 19397909 UAH. In terms of the overall amount of goods Asian market took 56% out of all import. EU zone took 44% out of all import. Asian countries play a role of main import partner for “Altavent”, however, the role of EU started to take a major role in the operational activity. As EU countries started to take nearly a half percentage out of all import.

The conclusion is that the company started to focus European market, as it provides more highly technological equipment and machines. At the same time, Asian market still takes a huge role in the enterprise’s lifecycle. At the same time, the dynamics of the period highlights that the company changed a priorities at least twice. As in 2013 the share of European countries was nearly at a half of the overall



import. Then the company started to cooperate with Asian countries on a great rate – nearly at 70% out of all import. At the same time, in 2017 the company has returned to a balance between EU and Asian markets, as their share almost started to be equal. As a conclusion LLC “Altavent” tries to cooperate more with EU market.

To conclude, analyzing the whole period from 2013 till 2017, the amount of imported goods was increased more than at a double rate. In such way, the volume in 2013 stated 123 units and in 2017 that ratio has grown up to 263 units. This dynamics is seen in the company’s revenue’s graph – Appendix C. Finally, the number of imported goods was also changing over the described period. At the same time, the share of specific products in the overall export began to be more fluid as machines started to be imported more rationally. The overall statistics is normal in terms of the provided balance and financial statements.

Thanks to international trade, the world economy can achieve a more efficient allocation of resources and a higher level of material well-being of the people. Each country should produce those goods, the production costs of which are relatively lower than the costs in other countries, and exchange the goods on which it specializes for products, production costs, which are lower in the country than in the whole country. And that is natural, since it is more profitable to buy goods from another country than to organize their own production, which will require large expenditures on a similar product. If each country does this, then the world can take full advantage of geographic and human specialization.

LLC “Altavent” cooperates with a large amount of countries, among which the largest region is Asia. However, in latest years the enterprise started to focus more EU zone in order to bring more high-quality production. So it is possible to state that LLC “Altavent” operates in a concentrated foreign environment.

### **2.3. Assessment import products sales efficiency management at the LLC**

#### **“Altavent”**

In order to estimate the overall dynamics and sales effectiveness it is a reasonable move to analyze the statistics in the following period of 2013-2017. In particular in Tables the dynamics such selling price, expenditures, sales' volumes and profits are represented. It is essential that the topic will be analyzing the company as a whole structure and each imported product in particular. Such statistics makes it possible to calculate and estimate import effectiveness ratio and effect from the import. At the same time, based on this calculation the conclusion regarding we could analyze the state of imported products sales management efficiency.

Table 2.11

Dynamics of Import Volumes and Profitability of LLC “Altavent” for 2013-2017,  
UAH

Year	Average sales price, UAH	Volume, units	Total cost, UAH
2013	103765,12	89	9 189 439
2014	104848,32	103	10 792 038
2015	103714,40	123	12 719 534
2016	101007,37	97	9 806 806
2017	101036,04	192	19 397 909

Source: constructed and calculated by the author on the basis of import reporting of LLC “Altavent” for 2013-2017 (Appendix D).

To sum up, we can say that the average sales price has fell down from 103765,12 UAH per unit to 10103,04 UAH (see Table 2.11). It is influenced on total cost of whole sales, as the company has sold more imported goods than in 2013, as the volume of sales was increased highly. As a result we have the following statistics: in 2013 the total costs equaled 9 189 439 UAH, in the same ratio in 2017 – 19 397 909 UAH.

The following situation is connected with the large investments and capitalization of the enterprise, so it is able to perform at a higher rate. In addition, the company has increased the total amount of sales and import. In addition, “Altavent” started to import more goods from the EU and they found a demand in Ukraine. Apart from that, the company started to provide services in a nearest foreign countries, which also affected an overall performance in a positive way. The overall import efficiency is illustrated in Table 2.12.

In this case, we should calculate import effectiveness for all commodity structure of LLC “Altavent” (tables 2.13; 2.14; 2.15; 2.16; 2.17; 2.18).

Table 2.12

Indicators of Import Efficiency on LLC “Altavent” in 2013-2017, UAH

Indicator	2013	2014	2015	2016	2017
Net profit from import	9 189 439	10 792 038	12 719 534	9 806 806	19 397 909



Cost of finished products	4460893	5238853	6359767	4928043	7759164
Spending on transportation	2966130	3594179	4158309	3385265	6188977
-loading	741084	981094	978426	790871	1492147
-transportation to main carrier	2225046	2613084	3179884	2594393	4696830
Total cost of finished products	7427022	8833032	10518076	8313308	13948141
Effect from import	1762417	1959006	2201458	1493498	5449768
Coefficient of import efficiency	1,24	1,22	1,21	1,18	1,39

Source: constructed and calculated by the author on the basis of import reporting of LLC “Altavent” for 2013-2017 (Appendix D).

Coefficient of import efficiency is correlation between effect from import and national spending on import (loading and transportation) [13, p.133]. Indicator of efficiency should be more than one that is necessary condition. Indicator was the highest in 2017 (1,39); 2014 (1,22) and 2013 (1,24). In another years indicator a little bit decreased but it was low for 5 years.

Net profit from import has increased from 2013 to 2017 on 10208470 UAH. The share of spending on loading and transportation in total cost increased, however, with higher volumes and more expensive goods, the company managed to increase the revenue.

Effect from import identify as net profit from import minus total cost of finished products [13, p. 132]. This indicator has been increasing since 2013 from 1762417 UAH to 5449768 UAH.

Table 2.13

Import Efficiency of Boilers on LLC “Altavent” in 2013-2017, UAH.

Indicator	2013	2014	2015	2016	2017
Net profit from import	288000	312000	372000	300000	540000

Cost of finished products	70936	101299	93000	95238	135338
Spending on transportation	96000	92400	114859	92156	151744
-loading	24000	30000	32920	31915	44813
-transportation to main carrier	72000	62400	81938	60241	106931
Total cost of finished products	166936	193699	207859	187394	287082
Effect from import	121064	118301	164141	112606	252918
Coefficient of import efficiency	1,73	1,61	1,79	1,60	1,88

Source: constructed and calculated by the author on the basis of import reporting of LLC "Altavent" for 2013-2017.

Therefore, the largest effect from import received in 2017 (252918 UAH) and 2015 (164141 UAH). Coefficient from import equal 1,73 in 2013 and 1,61 in 2014. In 2017 effectiveness was increased to 1,88 (see Table 2.13). To conclude, it is possible to state that in terms of an overall effect on the import the most positive years were 2017 and 2015 and in case of the import efficiency coefficient, the most favorable was 2017 and 2015. The most negative statistics is represented in the year 2016.

Table 2.14

Import Efficiency of Recuperators on LLC "Altavent" in 2013-2017, UAH.

Indicator	2013	2014	2015	2016	2017
Net profit from import	408000	504000	600000	480000	816000
Cost of finished products	147826	182609	217391	173913	295652
Spending on transportation	1384	3606	2348	2726	2541
-loading	1158	3005	1924	2270	2121

-transportation to main carrier	226	601	424	456	420
Total cost of finished products	149210	186215	219739	176639	298193
Effect from import	258790	317785	380261	303361	517807
Coefficient of import efficiency	2,73	2,71	2,73	2,72	2,74

Source: constructed and calculated by the author on the basis of import reporting of LLC “Altavent” for 2013-2017.

The import effectiveness of recuperators was the highest in 2017 – 517807 UAH, at the same time in 2015 and 2014 the statistics was also positive – 380261 and 317785 UAH. In other years this sum was decreasing. Apart from that, the coefficient of the import efficiency was the most reasonable in 2017 and stated 2,74 and in 2015 -2,73. However, the lowest dynamics are present in 2014 – 2,73 (see Table 2.14). So it is possible to conclude that, the most remarkable was the dynamic, which is demonstrated in the year 2015. It is possible to state that recuperators are the most efficient product in terms of the import. As they demonstrate the most positive dynamic. Moreover, they are have the highest coefficient of import efficiency among all products, which states that the company should focus on importing these goods.

Table 2.15

Import Efficiency of Vent Machines on LLC “Altavent” in 2013-2017, UAH.

Indicator	2013	2014	2015	2016	2017
Net profit from import	490000	546000	686000	518000	938000
Cost of finished products	245000	199270,073	343000	259000	375200



Spendings on transportation	51687	72726	68600	36274	93800
-loading	18593	7957	9800	4534	18320
-transportation to main carrier	4648	2245	2450	911	9160
Total cost of finished products	319929	282198	423850	300719	496480
Effect from import	98000	109200	137200	103600	187600
Coefficient of import efficiency	1,53	1,93	1,62	1,72	1,89

Source: constructed and calculated by the author on the basis of import reporting of LLC “Altavent” for 2013-2017.

Thus, the effect from import equal 187600 UAH in 2013, 137200 UAH in 2014 and 109200 in 2014 UAH. These years were most effective. Coefficient of import efficiency started to increase over other years. The highest rate of the ratio is in 2014 – 1,93 and in 2017 – 1,89 (see Table 2.15). In addition, the most negative statistics is represented in the year 2013.

In the Table 2.16 The effect on import on the described period on conditioners was the highest in 2017 and equaled 3410539 UAH and in 2015 – 1206820 UAH. The lowest ratio is presented in 2013 – 789090 UAH. Importing of conditioners equals 1,52 in 2015 (see Table 2.16). It was the most effective years of import. After the indicator has declined to 1,51 in 2016 and 1,48 in 2017. At the same time, the overall import efficiency ratio demonstrates a positive dynamic, as it is in the surplus.

Table 2.16

Import Efficiency of Conditioners on LLC “Altavent” in 2013-2017, UAH.

Indicator	2013	2014	2015	2016	2017
Net profit from import	2240000	2880000	3520000	3200000	10560000

Cost of finished products	1357575	1882352	2300653	2091503	6901960
Spending on transportation	93334	44308	12526	28626	247500
-loading	74667	36923	3911	23839	165000
-transportation to main carrier	18667	7385	8615	4787	82500
Total cost of finished products	1450910	1926661	2313180	2120129	7149461
Effect from import	789090	953339	1206820	1079871	3410539
Coefficient of import efficiency	1,54	1,49	1,52	1,51	1,48

Source: constructed and calculated by the author on the basis of import reporting of LLC "Altavent" for 2013-2017.

The effect on import on the described period on conditioners was the highest in 2017 and equaled 3410539 UAH and in 2015 – 1206820 UAH. The lowest ratio is presented in 2013 – 789090 UAH. Importing of conditioners equals 1,52 in 2015. It was the most effective years of import. After the indicator has declined to 1,51 in 2016 and 1,48 in 2017.

In Table 2.17 import of machines for the air conditioning was effective in 2015 and 2016 – 1,65 and in 2014 – 1,63. At the same time, the largest effect on import was in 2017 and equaled 682283 UAH and in 2015 – 491829 UAH. To sum up, in terms of the overall import effectiveness it is possible to mention 2017 and 2015 years. At the same time, in case of the import efficiency coefficient, the most reasonable would be 2015 and 2016 years (see Table 2.17). The most negative statistics is highlighted in 2014 and 2013 years.

Table 2.17

Import Efficiency of Machines for the Air Conditioning on LLC "Altavent" in 2013-2017, UAH.

Indicator	2013	2014	2015	2016	2017
Net profit from import	950000	1100000	1250000	1000000	1800000
Cost of finished products	565476	654761	744047	595238	1071428
Spending on transportation	49479	19096	14123	9685	46288
-loading	39583	15431	11574	7937	34716
-transportation to main carrier	9896	3665	2549	1748	11572
Total cost of finished products	614955	673858	758171	604923	1117717
Effect from import	335045	426142	491829	395077	682283
Coefficient of import efficiency	1,54	1,63	1,65	1,65	1,61

Source: constructed and calculated by the author on the basis of import reporting of LLC "Altavent" for 2013-2017.

Therefore, import of machines for the air conditioning was effective in 2015 and 2016 – 1,65 and in 2014 – 1,63. At the same time, the largest effect on import was in 2017 and equaled 682283 UAH and in 2015 – 491829 UAH. To sum up, in terms of the overall import effectiveness it is possible to mention 2017 and 2015 years. At the same time, in case of the import efficiency coefficient, the most reasonable would be 2015 and 2016 years. The most negative statistics is highlighted in 2014 and 2013 years. Finally, machines for the air conditioning demonstrate quite normal dynamics.

Table 2.18



### Import Efficiency of Heat Pumps on LLC “Altavent” in 2013-2017, UAH.

Indicator	2013	2014	2015	2016	2017
Net profit from import	3780000	4320000	4860000	3780000	8640000
Cost of finished products	2184971	2497110	2809249	2184971	4994220
Spending on transportation	152223	62262	46555	36852	255152
-loading	121778	51104	37619	30200	186930
-transportation to main carrier	30445	11158	8936	6652	68222
Total cost of finished products	2337194	2559372	2855804	2221823	5249372
Effect from import	1595029	1822890	2050751	1595029	3645780
Coefficient of import efficiency	1,62	1,69	1,70	1,70	1,65

Source: constructed and calculated by the author on the basis of import reporting of LLC “Altavent” for 2013-2017.

The effect from import of heat pumps were the highest in 2017 (3645780 UAH), 2015 (2050751 UAH) and 2014 (1822890 UAH). In 2015 import coefficient equaled 1,70 – time of the most effectiveness activity. At the same time, 2015 and 2016 can demonstrate a positive statistics in terms of the overall import coefficient estimation (see Table 2.18).

Taking into an account all above mentioned, it is possible to state that the company operates in decent conditions in terms of an import. The most efficient were 2017 and 2013 years, as their ratios demonstrated a positive dynamic.

## Conclusion to the Part 2

LLC “Altavent” demonstrated a positive dynamic in terms of the overall performance. However, the company demonstrates quite poor number of assets. It appears that the company does not use warehouses and places for stocking the inventory. At the same time, the company’s expenses are high and overlay revenues in most of periods. In addition, to that, the company received major investments in 2017, which allowed enhancing its overall performance for future years.

It is possible to see that the firm’s assets are mostly consisting from inventories. As “Altavent” cooperates with various manufacturers and stores equipment and technical goods in producers’ warehouses. In addition, the company provides services related to the ventilation systems, so it is essential that, current assets will have higher value than the fixed ones.

In terms of the overall import, LLC “Altavent” cooperates with various countries. The largest share of import is presented on Asian countries. Asian countries provide quite cheap production, but affordable for most of consumers. So it is essential that this ratio comes out of volumes. Apart from that, EU countries provide high-quality air conditioning equipment, but at a more expensive price. So in the period 2014-2016 LLC “Altavent” focused more on Asian market, but from 2017 it focuses EU environment.

The most effectiveness years of import were 2013 – 1,24; 2014 – 1,22 and 2017- 1,39. Due to the economic and political situation in Ukraine, the overall import effectiveness was not solid and did some jumps and deviation. The most effectiveness years for importing were in 2013-2014 and 2017. The management is doing a reasonable work in terms of the sales management, at the same time, the amount of low-priced goods in decreasing.

### **PART 3**

## **WAYS OF SALES EFFICIENCY MANAGEMENT IMPROVEMENT AT THE LLC “ALTAVENT”**

### **3.1 Reserves in improvement the import products sales efficiency management at the LLC “Altavent”**

Along with advertising, an important place in the stimulating a sales efficiency on the market is placed with the help of sales promotion - the development of events, various innovations to stimulate sales, and accelerate the perception of a product and services in the eyes of potential consumers. So it is possible to state, that for the company are provided a significant amount of ways to increase a sales potential [25, p. 11].

Taking into the account the air conditioning segment on the market, the target marked is set on both private and public entities. So, basically company should target offices, corporate buildings and private owners [31, p. 56]. It is also important that the management should define the whole bunch of techniques, sets and measures for working with resellers and consumers to stimulate their interest in marketing the air conditioning products.

In general, sales can be stimulated by the following methods:

- Free demonstration and the ability to check (exploitation, use) of the productin;
- Direct distribution of information leaflets with offers of discounts and discounts by producers;
- Distribution of information materials and offers of discounts and benefits by mail;
- Distribution of information materials and offers on discounts and benefits through specialized technical journals and their annexes;



- Providing purchase small gift, as an example souvenirs (cups, mugs or calendars);
- Educational materials regarding the production;
- Organization of exhibitions;
- Demonstration of goods at the international or domestic exhibitions;
- Organization of workshops regarding the air conditioning;
- Partnership with producers and their recommendation to customers;
- Reasonable and modern digital environment, commercial and website advertisement.

It depends not only on the quality of the product and provided services itself, but also on the memorable design or business style which is applied only for this company. Therefore, it is desirable that all elements of advertising and events to promote a product on the market have a common concept in the field of design and decoration. Sales are well influenced by a single product design, trademark, logo, advertising style and presentation. So it is possible to mention:

1. The company should pay attention to the image of the brand in advertising and representing to potential customers. It must comply with the spirit of advertising, the image that is to be formed or maintained.

2. The brand should not be divided according to every customers' group. The concept should have a single unifying idea.

3. The main concept is to deliver information that the enterprise provides high quality products and services, it is also important to demonstrate that company does not delay works. It is also necessary to strictly follow it in advertising and promoting the product on the market [62, p. 67]. The company could change individual advertising solutions, but not at the expense of the general idea (see Table 3.1). People need to get used to the image of the company. In Table 3.1 are shown the advantages and disadvantages of the main methods of product promotion on the market.

Table 3.1

## Advantages and Disadvantages of Sales Stimulation Methods

Method	Pros	Cons
Providing exhibitions	Attracts new consumers. Gives them the opportunity to more fully evaluate the product. Promotes faster product perception	It is associated with significant costs. Does not allow to fully assess the prospects for the implementation of the product
Production demonstration and verification	Overcoming immunity to a new, unfamiliar product. Formation of a new product	Difficult and expensive in the organization and conduct. Big time investment. Coverage of a narrow circle of consumers
Discounts and partnership with producers	High selectivity, focus on a pre-selected range of consumers. High consumer receptivity and attention to the product	A very laborious process that takes a long time to achieve a tangible effect. Needs careful monitoring
Mailing information about new arrivals	Very high selectivity and good susceptibility of consumers to the product. Opportunity to catch consumers in a familiar environment	A high chance possibility of getting a spam warning and usage of prohibited software
Distribution of information about discounts and benefits through media environment	Speed and convenience in practical use. Accounting geographic features of sales	Low consumer susceptibility. Retailers may not recognize discounts and benefits. Careful planning is required

Source: Constructed by the author on the basis of [51, p.9]

The point is that all of mentioned above method could be useful for LLC “Altavent”. The problem states that what should be prioritized in terms of the air conditioning equipment and production [52, p. 48]. The main thing here is to take care of the corporate style, image of the enterprise or company, about the form in

which the company and its products will appear to customers, what image and emotional attitude consumers will have regarding the brand of the company.

In terms of communicating with a dealer or reseller, it is important to state the plans, schedule and opportunities of resale quite clear. In other words, it is important to economically interest the dealer to sell exactly your products, to increase attention to the brand of your company [26, p. 58]. To do this, determine the possibility of sharing with them part of your profits. Sales are also well influenced by the price concession with an increase in order volumes, joint advertising, and the participation of the manufacturer in financing part of the dealer's expenses for local advertising [32, p. 52].

The sale of new air conditioning equipment and software is often carried out by advertising marketing methods: providing partnership with producers, a set of discounts, so the enterprise could purchase at a more reasonable sum, the demonstration of the production, its capabilities, provision of benefits and price discounts in case of using certain sales channels, informational messages (coupons, discount notice sheets, refund in case of customer dissatisfaction, lifetime warranty on the product, service options, etc.)

In the case of promotion in the market of previously manufactured products, sales can be stimulated by granting discounts on a new model (modification) of the product to those who purchased the previously produced model. In the conditions of the RF, the terms of settlements with dealers may also be important. For example, lengthening the timing and increasing the size of a commodity loan to a dealer can stimulate sales growth [54, p. 79]. However, when providing products for sale, the price in terms of inflation should be higher than with prepayment.

Many manufacturers rely on two-stage sales strategy, when dealers or the entire distribution network are involved in promoting a product on the market and in an advertising campaign. With this approach, part of the product marketing effort is entrusted to the reseller. But finding the right dealer is not easy. One type of two-step



sales strategy is a system of pre-announced return of a part of money to consumers on certain conditions.

The task of marketing is just to pick up a display of goods to potential buyers, which, on the one hand, will confirm all its advantages, which were discussed in advertising, and on the other - make it affordable and therefore more desirable for the consumer [62, p. 77]. Among the main recommendations that should that the company needs to negotiate with producers are the following (see Table 3.2):

- The website information regarding the company's goods assortment should be clear and correlate with targeted audience first needs ;
- the product should immediately attract an interest, the company should demonstrate its uniqueness put of other companies. The form of supply of the product must necessarily cause a positive consumer response. Artificial, fantastic appeals and motivations that are offensive from the point of view of etiquette rules are unacceptable [27, p. 45];
- The assortment should emphasize the unique, specific properties of the product, its unique features and advantages in comparison with analogues. If, for example, a distinctive feature of a product of your enterprise is less weight, then this should be somehow emphasized when the product is placed in front of the consumer;
- The information supplying the product laid out before the consumer must be extremely accessible for the consumer to understand. If it is too verbose, you can be sure that most buyers will not pay attention to it;
- the product offered to the consumer should be as accessible as possible to him. The consumer should be able to gain all necessary knowledge regarding the products and its features;
- It is best to take care of the form in which the product is delivered to the consumer in advance, to work with the seller on how your products should be laid out before the buyers [33, p. 53];

- It is important to watch for the workers, who provide services in terms of their attitude and corporal ethics, as they are an image of the company.

The ability to stand out requires an appropriate approach to the development of packaging for their products.

Table 3.2

## Methods of Sales Efficiency Estimation - Consumers Attraction

Method	Pros	Cons
Dissemination of information about discounts and benefits through specials	The most accurate orientation to pre-selected groups of consumers. Effective coverage of the most important consumer groups	Can be quite expensive. Most important consumers do not always respond to the benefits offered.
Ads for helping in terms of the damaged production	Increases the prestige of the company. Forms the market for new products	Results do not appear immediately. Very limited impact on sales growth
Purchasing a small gift purchase	Promotes growth in sales. Minor additional distribution costs	There is a risk of petty theft (especially for retailers). Lack of incentive for regular customer
Package of several products at a discount.	Promotes a rapid increase in sales. Intuitive and easy to use.	Low selectivity to pre-selected consumer groups. May undermine brand image
Contests and lotteries	Promotes brand confidence	Costly to use. Participation of a limited number of clients
Demonstration of goods at the point of sale	Effective means of attracting the attention of consumers	Dealer consent required

Source: Constructed by the author on the basis of [53, p.11]

Another two-step marketing option is to use a brand or coupon system. With their help, the consumer can receive a certain discount in the case of re-purchase of the same product or any premium, a gift of another kind. Buyers present these coupons to retailers, and those to manufacturers for reimbursement. In addition, the company can provide a discount for service in terms of problems with a specific product [55, p. 49].

Thus, the enterprise-manufacturer has the opportunity to feel the reaction of consumers to its products, to receive from resellers the information necessary to work out the correct marketing policy.

In Table 3.2 it is possible to see, how to attract customers with the help of consumers attraction methods, as it is important to state the “Altavent” prestige. These methods are also important in case of the company’s operational environment.

Work through distributors sales representatives. The main functions of the Sales Representative are: finding large customers, estimating the sales capacity, negotiating the inclusion of the company's products in the customer's procurement plan and ensuring that the distributor has sufficient stocks for orders.

- Prepared "maps of target regions" with a list of large construction and retail companies. They estimated the possible volume of purchases for each company and prepared a sales plan.
- Conducted a series of presentations for retailers and construction superintendents. During the presentation, the advantages of the products were demonstrated, the main emphasis was placed on the product properties important for the consumer [63, p. 90].

The program is based on a modified pricing policy that guarantees the distributor a higher margin than on sales of competitors' products.

- Seasonal cumulative discount for distributors, which was supported by trade competitions (also seasonal) among purchasers and sales managers.
- The promotion “Gift for Purchase” for technological companies in fulfilling the volume of the agreed one-time order.



For holding several stocks in different channels (distributors and construction companies) it was extremely important to have a common data set for analyzing and monitoring the progress of the stocks, as well as identifying inconsistencies [28, p. 69].

In any sales promotion activities, it is necessary to include a customer loyalty marketing program for the goods or services of a particular company. Only this will ensure the stability of the enterprise tomorrow. The formation of loyalty implies a long-term positive perception by consumers of the goods or services of the company.

There are many methods and techniques for this, but to name the most optimal is impossible. One thing is clear - this is a creative process. It is carried out by employees of the enterprise or specialists hired under the contract. The basic action can designate the principle of individualization of each potential consumer [64, p. 53]. The actions in this case will be: congratulations on the holiday, messages about new products, personal invitations to promotions and contests, individual payment programs and much more.

Another important feature is trust between a consumer and a company. So in order to gain trust, such as detailed information on guarantees for the exchange and return, as well as the terms of payment and delivery. In addition, it is also important several channels for feedback: telephone, e-mail, online consultant, etc .Informative product pages with customer reviews, moreover, there should be no empty pages and categories in the product catalog. In the modern world, it is also important to make an attractive design if not unique, then at least at a decent quality [39, p. 88]. There should be a page "About Us" / "About Company" with a detailed description of the brand, and even better - with photos of the office and employees and in order to demonstrate a decent work, there are no spelling errors in the text, etc.

### **3.2 Development of improvement measures of the import products sales efficiency management at the LLC “Altavent”**

As it is mentioned above, it is required to prioritize the whole operational process of the company according to a needs and features with the aim to establish a proper sales efficiency sequence. So it is possible to divide the whole process of improvements into a three large sections. First section is a digital support, the second is connected with the establishment of strong partnership with producers and the last one – the increasing loyalty among customers.

So it is essential that the enterprise should be able to work in the Informational field and have the opportunity to deliver the information regarding the product at a decent rate. Moreover, the Today, for every market participant (whatever he does), it became absolutely necessary to have your own website. The two main prerequisites that led to this state of affairs include the rapid development of web-technologies and the growth of the welfare of society.

Under the influence of the first factor, the Internet spread almost everywhere and became very affordable, and under the influence of the second, a computer (netbook, communicator) with access to the global network, appeared in almost every home.

The widespread distribution and accessibility of the Internet, as well as the availability of computer equipment, very soon led to the fact that many people began to spend much of their time on-line - on average, about three hours a day. For a large number of people, the Internet has become the main source of information. It began to gradually oust the print media and television from their lives, and as a result, the role of television and print advertising began to fall.

**Digital sector.** It is important to create more adorable and attractive website for LLC “Altavent”. There should be an attractive design, easy stating and comfortable design. In addition to that, the website should correlate with popular trends and other popular issues in order to make the most efficient way.

On Fig. 3.1 the main page schematics is represented. According to new standards. The point is that on the top of the webpage should a short advertising video with a specific product on it. In order to make purchases quiet comfortable, there should be quick “purchase” button on the right and if the client has specific question, it would a reasonable move to place a Contacts phone of the far left side. Next on, the visitor should be able to see latest news and updates regarding the assortment and production. So there should be placed a slider with recent news and information connected with discounts or special offers. The user can scroll the information in order to gain a required knowledge. Finally, at the bottom, there will be presented products of the specific series. As an example – recuperators, vent machines, conditioners, etc.

This measure is needed in terms of the creation of comfortable and easily accessible information regarding a specific group of goods (see Fig. 3.1).

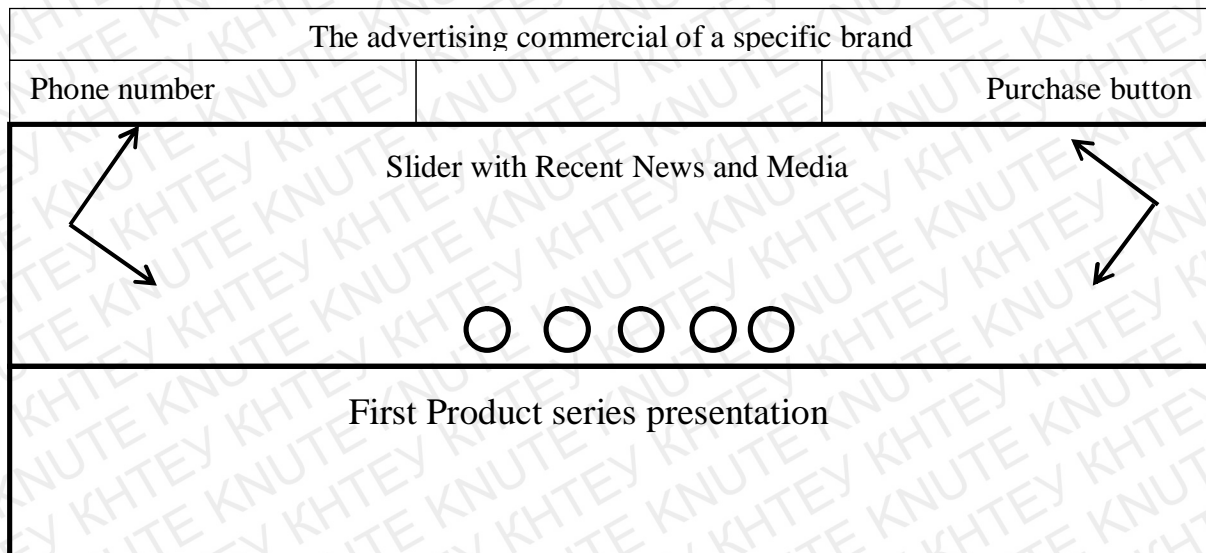


Figure 3.1 The Schematics of the Website’s Main Page

Source: constructed by the author on the basis of [43, p.65].

Improving the site is necessarily associated with filling it with high-quality content. It is not by chance that the saying “content is king” is common in the English-speaking optimizing environment. The quality content of the company's website can bring the resource to the top of the list or play the exact opposite role.



It is also important to fulfill the website with the articles and specific information regarding the industry, it is desirable that professionals - journalists and copywriters work on their creation. Some part of the text content can be written by the site owner himself. It is very important that the texts are first of all readable, selling and unique, and only then - optimized.

In order to create a reasonable website, it is possible to select from three major site constructing companies (see Table 3.3). Among them it is possible to select Artjoker (UA) and two international companies – Willow Tree and Raizlabs.

Table 3.3

## Evaluating the Potential of Website Creation for LLC “Altavent”

Criteria for evaluation	Artjoker (UA)	WillowTree (International)	Raizlabs (USA)
Price for the complex work, USD	700	1500	1350
Qualified personnel	+	+	+
Years of experience	-	+	+
Satisfied customers	+	+	-
Information about work	+	+	+
Latest programs and tools	-	+	+
Regional representatives	-	+	+
Promised growth of sales, %	52	47	62

Source: constructed by author based on web-site information of these companies [3; 40; 62].

In terms of the price for work, the lowest price is represented in Ukrainian company and states the overall price equals 18900 UAH. At the same time, the company does not have the long term experience in this area. Moreover, the company is not using the latest tools for the website construction along with the methods and structures. In addition, the company has representatives only in Ukraine, which could be problems in terms of contacting with foreign countries or adapting for their

cultural standards and traditions or ethics. On the other hand, this allows the company to concentrate more on Ukrainian market.

Willow Tree demonstrates quite positive dynamics, but this company demonstrates quite expensive services, which equals 40500 UAH. However, the company has a significant amount of experience on the digital market, as it operates from 2004 and helped to establish a reasonable and efficient web environment for various famous companies. At the same time, the estimated growth of sales equals 47%.

Raizlabs is USA Company which focuses on the creative website construction. It is essential that the company provides quite quality service and is able to create creative web environment. The cost for services equals 36450 UAH which is the middle among the overall companies. However, the other sources demonstrate that customers are not satisfied with provided services. At the same time, the company promises 62% growth of sales.

Taking into the account provided statistics, which is mentioned in Table 3.3, it is possible to state that Willow Tree is the most reasonable choice. Despite high price for the services, Willow Tree demonstrates a bunch of benefits regarding the website. In particular, long term experience, satisfied customers, modern equipment and a decent staff. In addition, customers state that the promised growth of sales in around 50% is proven.

**Construction of LLC “Altavent” own warehouse.** This measure aids in the process of reducing expenditures, as the company rents warehouses in different places and it provides obstacles in terms of delivering productions to buyers. In addition, the company would be able to stock goods and equipment there. Today, such a service as the construction of warehouses is in great demand in the field of logistics.

In Table 3.4 represents the possibility of the warehouse construction. There are three main constructional firms, one of them represents Ukraine and two others are

international and provide high-quality services. The analyzed statistics are highlighted in the table.

Table 3.4

## Evaluating the Potential of Website Creation for LLC "Altavent"

Criteria for evaluation	Interstal (UA)	Bechtel (US)	Skanska (SW)
1	2	3	4
Price for the square meter, UAH	7000	12000	10000
Qualified personnel	+	+	+
Years of experience	-	+	+
Satisfied customers	+	+	+
Information about work	+	+	+
Latest equipment	-	+	+
Regional representatives	-	+	-
Report regarding customers' projects	-	+	-

Source: constructed by author based on web-site information of these companies [3; 40; 62].

The increased volume of trade and freight traffic implies the availability of storage facilities for a wide variety of product groups. Moreover, the requirements for their safety are quite high. In addition, the finished structure should look presentable and organically fit into the surrounding architecture. But, the main factor influencing the choice of the customer is the time frame in which the construction of warehouses is carried out, both as standard equipment and on an individual project. Today, thanks to the introduction of new technologies, it has become possible to build reliable and convenient storage facilities in just a few months.

Taking into the account mentioned above statistics it is possible to state that the most efficient company is Bechtel which demonstrate a positive dynamic in all sectors of the evaluation. Despite the most expensive state per square meter. Years of



experience and positive feedback are quite reasonable factors in terms of the warehouse construction company selection.

In Table 3.5 is presented the calculation of costs and outcome from the construction of the warehouse for LLC “Altavent”. At the same time, the square required for the logistics complex equals 1500 square meters. The estimated construction terms are one year. Furthermore, the overall cost for the simple building is 18 mln. UAH. At the same time, the overall cost is higher due to a demand in modern equipment which should be installed in the building. So the estimated cost of project and its maintenance is 67 mln. UAH. As the ratio requires not only the building itself, but also loading/unloading equipment and accounting tools. It is essential that the enterprise requires an investments at a sum of 67 mln. UAH.

Taking into the account calculations stated in the Table 3.5, the NPV equals 38 mln. UAH, which means that future stream of payments as 38 mln. UAH. At the same time the overall payback period is estimated as 5,5 years. Discounted period equals 8 years. IRR states that the company’s profitability from potential investments is 11,4. At the same time, the productivity index is on the normal grade and equals 1,5

The important issue is the content of the website as it should not only be a web shop, but also an interesting page. So it is essential, that the company’s marketing department should post interesting articles regarding the air conditioning and ways of improving it. Furthermore, the website should also demonstrate an attractive picture according to a season.

Table 3.5

## Calculation Construction of Warehouse Complex for LLC “Altavent”

Project basic information	
Project name	Warehouse for “Altavent”
Essence	Provide atomization of all logistics operation to reduce time and costs on its
Area	1500 square for stocking production
Time	1 year
Financial estimation of the project	
Total estimated cost of the project, mln. UAH	67
Investment capacity, mln. UAH	67
Conditions of investor participation	Direct investments
Payback period	5,5
Basic indicators of investment project economic efficiency	
Net present value (NPV)	38
Simple payback time	7
Discounted payback period	8
Internal rate of return (IRR)	11,4
Productivity index (PI)	1,5
Income per year	29,36

Source: table calculated and constructed by author on the basis of [37, p. 11]

Finally, the last and one of the most prioritized improvements connects with the developing of the clients’ loyalty program, as it allows hold the audience. The point is that the company should attract large constructional companies in order to establish a decent relationship in terms of the air conditioning and the overall buildings ventilation system (see Table 3.5). The discount system should divide into two groups – a group for private individuals and for public companies. As companies

would be able to purchase the equipment at a permanent rate and private individuals mostly purchase once in a while.

In Table 3.6 it is possible to see the overall strategy regarding discounts and present policy, which would be helpful in terms of the sales efficiency improvement.

Table 3.6

#### Discounts for Clients in Terms of Overall Purchase

Sum of purchase	Public individuals	Private individuals
50000	-	3% + corporal present
100000	3%	3% + free service for one year + present
150000	3%	10% + service+present
200000	5%	15% + service and present
500000	10%	-
1000000	20%	-
5000000	30%	-

Source: table calculated and constructed by author on the basis of [51, p. 76]

As it is mentioned above the overall discount rate should be varied among large corporations and private individuals. As the amount and sum of purchases could be significantly different, as companies can purchase equipment and machines for a large constructional site. So it is essential that private individuals are able to gain the discount for the less price. As an example starting at 50 ths. UAH the resident could get a 3% discount on the product a corporal present, such as notebook, pencil, etc. For large companies it is essential that the discount will affect the price at a higher rate. It is important to mention, that the discount does not provide the installation service. So the company should construct a website with Willow Tree, a Warehouse with Bechtel and establish a discount program of loyal customers.



### 3.3. Forecast Assessment of Import Products Sales Effectiveness at the LLC “Altavent” After Implementation of Proposed Measures

Forecasting of import indicators is important step of evaluation the overall sales management effectiveness. It allows defining approximate growth trends for every enterprise which provides foreign economic activity.

LLC “Altavent” had a significant growth of indicators in mentioned years, as we analyzed its overall performance. Taking into the account a major capitalization of the enterprise, it is essential, that it should demonstrate a positive dynamic.

Thus, from the data of the table, we can observe that indicator of net profit from export will increase on 9719585,62 UAH in 2018; the ratio will grow on 7279356,36 UAH in 2019 also grow on 9099230,79 UAH in 2020. Finally the ratio will grow further up to 11374013,72 UAH. Total growth from 2017 to 2021 equals 37472186,49 UAH (see Table 3.7).

There is also provided a detailed analyzes according to every product, which is imported by the LLC “Altavent”. This measure could be helpful; in terms of the forecast creation. Moreover, we would be able to mark the most notable goods. The statistics is represented in tables 3.7 – 3.13.

Table 3.7

Forecasted Effectiveness Import Indicators of Boilers LLC “Altavent” in 2018-2021, ths UAH

Indicator	2017	Expected value in 2018	2019	2020	2021	Absolute deviation				
						2018/ 2017	2019/ 2018	2020/ 2019	2021/ 2020	2021/ 2017
1	2	3	4	5	6	7	8	9	10	11
Net profit from import	54000 0,00	675000,00	843750 ,00	10546 87,50	13183 59,38	13500 0,00	16875 0,00	21093 7,50	26367 1,88	77835 9,38
Spending on transportation	15174 3,97	153261,41	154794 ,02	15634 1,97	15790 5,38	1517, 44	1532, 61	1547, 94	1563, 42	6161, 41

End of Table 3.7

1	2	3	4	5	6	7	8	9	10	11
Total cost of finished products	28708 2,32	344498,78	413398 ,54	49607 8,24	59529 3,89	57416 ,46	68899 ,76	82679 ,71	99215 ,65	30821 1,58
Effect from import	25291 7,68	330501,22	430351 ,46	55860 9,26	72306 5,48	77583 ,54	99850 ,24	12825 7,79	16445 6,23	47014 7,80
Coefficient of import efficiency	1,88	1,96	2,04	2,13	2,21	0,08	0,08	0,09	0,09	0,33

Source: table calculated and constructed by author based on import reporting of LLC "Altavent".

In this case, the amount of import of boilers is able to increase 778359,38 UAH for 4 years. Effect from import will change on 99850,24 UAH in 2019; on 128257,79 UA in 2020 and 164456,23 UAH in 2020. The coefficient from import is able to grow up to 0,33 for 2017-2021.

Effect from import will be increased on 21149295,98UAH for 4 years. The coefficient of import efficiency can growth on 0,49 according to our forecasting. It is a reasonable ratio and demonstrates a positive effect from mentioned innovations. In addition the overall statistics is positive for the firm.

Total costs of finished products could be increased 16322890,51 UAH in compare to 2017 because of the highest prices on the production purchased from a foreign producers.

Spending on import will be increased on 5142249,22UAH that requires searching cheaper logistics ways but safe. At the same time, it is a quite reasonable move as the rate is not highly dangerous for the enterprise.

It is essential that boilers are quite demanded product in terms of construction on private real-estate buildings. At the same time, the overall profit from import should equal 1318359,38 UAH in 2021.

Table 3.8

Forecasted Effectiveness Import Indicators of Recuperators LLC “Altavent” in 2018-2021, UAH

Indicator	2017	Expected value in 2018	2019	2020	2021	Absolute deviation				
						2018/2017	2019/2018	2020/2019	2021/2020	2021/2017
Net profit from import	816000,00	1019999,89	1274999,81	1593749,93	1992187,41	203999,89	254999,92	318750,11	398437,48	1176187,41
Spending on transportation	2541,00	2566,41	2592,07	2617,99	2644,17	25,41	25,66	25,92	26,18	103,17
Total cost of finished products	298193,17	357831,81	429398,17	515277,73	618333,24	59638,63	71566,36	85879,56	103055,51	320140,07
Effect from import	517806,83	662168,08	845601,64	1078472,20	1373854,17	144361,26	183433,56	232870,56	295381,97	856047,34
Coefficient of import efficiency	2,74	2,85	2,97	3,09	3,22	0,11	0,12	0,12	0,13	0,49

Source: table calculated and constructed by author based on import reporting of LLC “Altavent”.

Thus, forecast of net profit from importing of recuperators will increase on: 254999,92 UAH in 2019; 398437,48 UAH in 2020 and 398437,48 UAH in 2021. Total spending on importing could grow on 103,17 UAH in 2021 to 2017. Effect from import will be rising on 856047,34 UAH for 4 years. At the same time the coefficient of import efficiency will grow up to 0,49 in terms of these years (see Table 3.8).

Recuperators are demonstrating positive dynamic in terms of the import efficiency and the coefficient. In addition to that, the overall growth of the ratio should be estimated as 0,49. At the same time products will bring the enterprise the profit which equals 1992187,41 UAH in 2021, as it an efficient ratio. The growth is estimated as 1176187,41 UAH in the whole period.



Table 3.9

Forecasted Effectiveness Import Indicators of Conditioners LLC “Altavent” in 2018-2021, UAH

Indicator	2017	Expected value in 2018	2019	2020	2021	Absolute deviation				
						2018/2017	2019/2018	2020/2019	2021/2020	2021/2017
Net profit from import	938000,00	1172499,76	1465610,59	1832031,12	2290038,90	234499,76	293110,82	366420,53	458007,78	1352038,90
Spending on transportation	93800	94737,99	95685,38	96642,22	97608,63	937,99	947,38	956,84	966,41	3808,63
Total cost of finished products	496480,47	595776,56	714931,70	857918,10	1029501,61	99296,09	119155,14	142986,40	171583,51	533021,14
Effect from import	187600,00	576723,20	750678,88	974113,02	1260537,29	389123,20	173955,68	223434,13	286424,27	1072937,29
Coefficient of import efficiency	1,89	1,97	2,05	2,14	2,22	0,08	0,08	0,09	0,09	0,34

Source: table calculated and constructed by author based on import reporting of LLC “Altavent”.

Net profit from import will increase on 1352038,90 UAH for forecasting period. Effect from import can increase on 1072937,29 UAH. Coefficient of import efficiency increase up to 2,22 in 2021 (See Table 3.9).

Table 3.10

Forecasted Effectiveness Import Indicators of Vent Machines LLC “Altavent” in 2018-2021, UAH

Indicator	2017	Expected value in 2018	2019	2020	2021	Absolute deviation				
						2018/2017	2019/2018	2020/2019	2021/2020	2021/2017
1	2	3	4	5	6	7	8	9	10	11
Net profit from import	10560000,00	13199994,97	16499993,71	20624992,14	25781237,65	2639994,97	3299998,74	4124998,43	5156245,52	15221237,65
Spending on transportation	247500	9974,49	252474,27	254999,32	257549,09	2474,49	2499,77	2525,05	2549,77	10049,09

End of Table 3.10

1	2	3	4	5	6	7	8	9	10	11
Total cost of finished products	7149460,78	8579352,94	10295220,43	12354264,52	14825117,42	1429892,16	1715867,49	2059044,09	2470852,90	7675656,64
Effect from import	3410539,22	4620642,03	6204773,28	8270727,62	10956120,23	1210102,81	1584131,25	2065954,34	2685392,61	7545581,02
Coefficient of import efficiency	1,48	1,54	1,60	1,67	1,74	0,06	0,06	0,07	0,07	0,26

Source: table calculated and constructed by author based on import reporting of LLC "Altavent".

The effect from import will be increased in compare with previous year: 1584131,25 UAH in 2019; 2065954,34 UAH in 2020, 7545581,02 UAH in 2021. Coefficient of import efficiency will growth on 0,26 (see Table 3.10).

Table 3.11

Forecasted Effectiveness Import Indicators of Machines for Air Conditioning LLC "Altavent" in 2018-2021, UAH

Indicator	2017	Expected value in 2018	2019	2020	2021	Absolute deviation				
						2018/2017	2019/2018	2020/2019	2021/2020	2021/2017
Net profit from import	1800000,00	2250000,00	2812498,93	3515623,66	4394527,43	450000,00	562498,93	703124,73	878903,77	2594527,43
Spending on transportation	255152	257702,40	260280,11	262881,93	265509,46	2550,40	2577,71	2601,82	2627,53	10357,46
Total cost of finished products	1117716,57	1341259,89	1609510,65	1931413,39	2317695,46	223543,31	268250,77	321902,74	386282,07	1199978,89
Effect from import	682283,43	908740,11	1202988,28	1584210,27	2076831,97	226456,69	294248,16	381222,00	492621,70	1394548,54
Coefficient of import efficiency	1,61	1,68	1,75	1,82	1,90	0,07	0,07	0,07	0,08	0,29

Source: table calculated and constructed by author based on import reporting of LLC "Altavent".

Machines for the air conditioning demonstrate that the profit will be changed up to 2594527,43 UAH in 4 years. At the same time the overall cost of products will be changed on 1199978 UAH (see Table 3.11). The import efficiency coefficient will grow up to 1,9 in 2021.

Table 3.12

Forecasted Effectiveness Import Indicators of Heat Pumps LLC “Altavent” in 2018-2021, UAH

Indicator	2017	Expected value in 2018	2019	2020	2021	Absolute deviation				
						2018/2017	2019/2018	2020/2019	2021/2020	2021/2017
Net profit from import	8640000,00	10800000,00	13499997,94	16874997,43	21093744,72	216000,00	2699997,94	3374999,49	4218747,30	12453744,72
Spending on transportation	255152	257703,31	260280,13	262882,46	265511,16	2551,31	2576,82	2602,33	2628,70	10359,16
Total cost of finished products	5249371,65	6299245,98	7559090,63	9070909,90	10885089,60	1049874,33	1259844,65	1511819,26	1814179,70	5635717,95
Effect from import	3645780,35	4500754,02	5940907,31	7804087,53	10208655,12	854973,67	1440153,29	1863180,22	2404567,59	6562874,78
Coefficient of import efficiency	1,65	1,71	1,79	1,86	1,94	0,07	0,07	0,07	0,08	0,29

Source: table calculated and constructed by author based on import reporting of LLC “Altavent”.

The analyzed statistics state that net profit from import of heat pumps will rise on 12453744,72 UAH for 4 years in case of low capacity of importing. However, there is a low possibility of such scenario. The effect from import can increase on 6562874,78 UAH in favorable conditions for enterprise activity. The coefficient of import efficiency will growth on 0,29 the ratio is in demand among customers and will be a huge benefit for the enterprise (see Table 3.12).



Table 3.13

Forecasted Import Effectiveness Indicators on LLC “Altavent” Within  
Implementation of Proposals for 2018-2021, UAH

Indicator	2017	Expected value in 2018	2019	2020	2021	Absolute deviation				
						2018/ 2017	2019/ 2018	2020/ 2019	2021/ 2020	2021/ 2017
Net profit from import	193979 09,00	29117494,62	363968 50,98	454960 81,77	568700 95,49	97195 85,62	72793 56,36	90992 30,79	113740 13,72	374721 86,49
Spending on transportation	618897 7	1015946,01	102610 5,98	103636 5,89	104672 7,90	51730 31,11	10159, 98	10259, 91	10362, 01	514224 9,22
Total cost of finished products	139481 40,71	17517965,96	210215 50,12	252258 61,87	302710 31,22	35698 25,25	35035 84,16	42043 11,75	504516 9,35	163228 90,51
Effect from import	544976 8,29	11599528,66	153753 00,86	202702 19,89	265990 64,27	61497 60,37	37757 72,20	48949 19,04	632884 4,37	211492 95,98
Coefficient of import efficiency	1,39	1,66	1,73	1,80	1,88	0,27	0,07	0,07	0,08	0,49

Source: table calculated and constructed by author on LLC “Altavent” import reporting.

Thus, in situation of implementation all proposals we can receive increasing from import in 2019 – on 9099230,79, UAH; in 2020 – on 11374013 UAH, and in 2021 – 37472186,49 UAH (see Table 3.13).

The coefficients from import will growth at a slow but quite decent rate. In 2019 it will be increased by 0,7, in 2020 the ratio equals 1,8 and in 2021 the ratio will be estimated as 1,88. In the overall period states that the coefficient equals 0,49 in terms of the absolute deviation. The highest growth is detected in 2018 -2017 and then it continues to grow in the stability. If we implemented all propositions we can receive effectiveness from import products sales. The overall statistics is quite positive in terms of the enterprise’s development. The most effective import is demonstrated in conditioners (2,22), recuperators (3,22) and heat pumps (1,94).

In case of the full implementation of the proposed innovations, the overall import efficiency could be increased up to 1,88, as it is 0,49 growth of an overall performance.

Every enterprise which provides effective import activity should evaluate quality of their products, expenses on its, potential and current consumers and sellers, markets where are working.

LLC “Altavent” is actively launches its new strategies with the aim to increase their sales efficiency potential. It is essential, as according to their current economic state is advisable. As the enterprise received a major amount of investments, which allow it to concentrate on expanding their operational activity.

LLC “Altavent” in order to increase its sales efficiency should provide the following measures : the creation of a website with a comfortable interface and design, the construction of its own ware house, orientation of the European market and provision of more quality goods; the creation of loyalty program in order to establish a strong partnership among the company and clients. One of the most important improvements should be focused on the automatisisation of all logistic processes on enterprise. In addition, this measure would allow to reduce expenses.

For “Altavent” cooperation with dealers is a reasonable move, as they can recommend the company’s services and establish a strong cooperation between this business environment.. In order to analyze the whole digital area construction, it was defined three companies, two of which were international and one operated in Ukraine. Results demonstrated that International company – Willow Tree is quite capable of constructing an efficient and successful web pages for enterprises.

In terms of International era it is important to cooperate with ethnical diversifications, so it is possible for the enterprise to analyze the foreign market more careful. Taking into the consideration this action may lead the company to a commercial success on the market.

### **Conclusion to the Part 3**

Taking into the account all above mentioned, LLC “Altavent” should combine a mix of the suggested methods in order to stimulate its sales efficiency. However, it is highly important to create a set of priorities for the methods, as some features are required more and end up with a more favorable result. At the same time, the overall structure is clear – “Altavent” should focus on three main features – network environment, collaboration with producers and loyalty program. It is essential that in the market economy clients will be the in the center of the company’s operational activity. Apart from that, analyzing the company’s current state, it is unable to provide these features at a decent rate. With the process of these methods application, the company’s sales efficiency could be improved and demonstrate a positive dynamic of the company’s operational process sequence.

LLC “Altavent” should establish a decent website, as it is important in terms of the sales efficiency improvement. Analyzing companies, it is possible to state that Willow Tree is the most reasonable selection. Next the company should build a warehouse for stocking goods with a technological logistics center. This would be possible with the help of international company Bechtel. Finally, the management should invent and launch a system of discounts for customers in order to enhance the performance.

The overall import efficiency coefficient should grow on 0,4 in 2021 and the overall effect from import could be reached the ratio of 2114929 UAH. This is a significant result. However the company’s management should closely follow the proposal in order to reach such results. As it is mentioned above that the sales is not a simple sequence, it is a complex of feature, which should be reasonably organized.



## CONCLUSIONS

The purpose of the paper is directed on suggestions and opportunities of the sales efficiency improvement, as it is a reasonable strategy on the international market. Analyzing both – theoretical and practical environment, it is possible to define some key feature with the help of which, the enterprise will be able to gain the advantage on the market. Taking into the account results, provided with the help of LLC “Altavent” statistics, there should be important steps taken in terms of the sales efficiency.

In the paper in the theoretical section, the main features of import and its role in the international trade are revised. In addition, the basis of the whole import operation is a strong partnership with foreign companies. At the same time, the initial issue is connected with the demand among customers. It is essential that the demand on the specific product allows the supply to enhance. However, the factor is not one sided, as it requires an addition of other issues. As an example, the enterprise’s competitive advantage over other domestic companies, the level of its technological innovations and the ability to work and establish a decent connection with foreign countries. To sum up, we are able to define these major factors in terms of the foreign trade expansion - qualified staff, management organizational system, information support of FEA good system of accounting and analysis import products sales activity.

In terms of the sales efficiency, import operations take an important role in the economy, as they should be directed both on the foreign country and domestic. In terms of the foreign practice, the company should be aware of the business specifics. As the ways of dealing with operation could vary depending on the land. Apart from that, goods should be adapted and formed according to domestic country standards. This could be achieved by buying the production directly from the producer, working with third-party companies or establishing a foreign representative office. These

methods allow to start importing with existed resources, provide full control on foreign operations but all is needed so much responsibilities from the enterprise.

In order to define the methodology of the enterprise and its nature, the manager should implement various methods. Ratios and coefficient are efficient and classical ways to demonstrate the company's current performance. So it is essential that balance, costly and comparative methods are widely used in the practice of import efficiency estimation. However, they cannot demonstrate the whole picture of the company, furthermore, they concentrate on the specific area. So it is essential that the company should combine and create a complex of methods in order to estimate the import efficiency at a most positive way. The analysis including follow such components -studying obligation of contracts and its advantages, evaluation of their own competitiveness and dynamics of foreign economic operations which are provided, identifies factors of influencing and assessment results of economic activity.

In the practical part of the paper, economic and financial statements of LLC "Altavent" were revised. The company operates in the sector of an air conditioning. It sells and provides services connected with the air conditioning equipment. At the same time, "Altavent" imports goods from foreign countries. The company's performance demonstrates a positive dynamics in the past period. In 2017 it received a major portion of investments, which allowed expanding its operational cycle. However, the company lacks of its own assets and overall expenditures are quite high, which demonstrates a negative dynamics. As a result, almost during the whole period the company worked in a minus form.

LLC "Altavent" imports goods from various countries. The analyses of its importing sequence allowed to state that there are two major regions of incoming goods. The first is the largest is Asia and states 41% out of all import. In Asian region the following countries are included – China, Japan and Thailand. The second large sector is situated in European Union and its share in the whole import equals 27%. In this section it is also revised the overall amount of imported goods and their type.

In terms of the import efficiency estimation it is possible to state that the coefficient was not stable at this point. As in 2013 it stated 1,24 and in 2017 it became 1,39, which is a positive statistics. Taking in to account the overall downfall in previous years, especially 2017, where this ratio equaled 1,18. At the same time, the overall import effect was positive, as it does not demonstrate negative ratios in terms of the import. The most favorable and efficient products are recuperators, as they illustrate quite positive dynamics. As an example, their import efficiency ratio equaled 2,71 in 2017. That is a significant result.

In terms of the forecast, LLC “Altavent” should focus on reducing its import expenditures, in such way it should focus on two basic principles – attract consumers and reduce costs. The first area is a digital sector, where the company has to create its own website with a creative design and intuitive interface. Analyzing companies in this sector, it is possible to state that Willow Tree is the most reasonable solution.

Next option is to build its own warehouse for stocking goods with a modern logistics system. This would be able with the help of the international company “Bechtel”. The projects requires 67 mln. investments, but its productivity ratio is 1,5 and income per year is 29,36. Which makes it a valuable option. Finally, the discount program for loyal customers is a reasonable move.

With the implementation of these innovations, LLC “Altavent” would be able to increase its import efficiency by 0,49 till 2021. At the same time, its overall revenues could be increased by 37472186,49 UAH in 2021. Finally, the overall import effect will increase on 21149295,98 UAH in 2021. As it is possible to see with these structures LLC “Altavent” will be able to create an efficient sales management in terms of the import.



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## Appendix A

Table A

## Consolidated balance sheet of LLC "Altavent" 31.12.2013-31.12.2017

Asset, th UAH	Code	2013		2014		2015		2016		2017	
		On 01.01.2013	On 31.12.2013	On 01.01.2014	On 31.12.2014	On 01.01.2015	On 31.12.2015	On 01.01.2016	On 31.12.2016	On 01.01.2017	On 31.12.2017
1	2		4	5	6	7	8	9	10	11	12
I. Fixed assets											
Intangible assets	1000	15376	16818	16818	11150	11150	10527	10527	10114	10114	4583
- purchase value	1001	19251	55201	55201	35125	35125	34282	34282	28534	28534	18532
- accumulated amortization	1002	3875	38383	38383	23975	23975	23755	23755	18420	18420	13949
Property, plant and equipment:	1010	2449	2497	2497	3447	3447	4421	4421	5797	5797	2160
- purchase value	1011	4758	5699	5699	10859	10859	14397	14397	16355	16355	8734
- depreciation	1012	2309	3202	3202	7412	7412	9976	9976	10558	10558	6574
Investment property	1015	0	0	0	0	0	0	0	0	0	0
Total fixed assets	1095	17826	19315	19315	14597	14597	14948	14948	15911	15911	6743
II. Current assets											
Inventories	1100	3624	3629	3629	5557	5557	5713	5713	7739	7739	21871
Trade accounts receivable	1125	603	1091	1091	1714	1714	3653	3653	3465	3465	3154

1	2		4	5	6	7	8	9
Accounts receivable for settlements								
notes receivable	1130	157	212	212	119	119	288	288
with budget	1135	796	1079	1079	603	603	1461	1461
Other accounts receivable	1155	1932	1247	1247	1714	1714	3653	3653
Cash and cash equivalents	1165	1262	2334	2334	0	0	16	16
Deffered charges	1170	0	0	0	0	0	0	
Other current assets	1190	0	0	0	0	0	0	
Total current assets	1195	8375	9592	9592	9707	9707	14784	1484
Total assets	1300	26200	28907	28907	24304	24304	24019	24019



### Consolidated balance sheet of LLC "Altavent" 31.12.2013

Equity and liabilities, th UAH	Code	2013		2014		2015		
		On 01.01.20 13	On 31.12.20 13	On 01.01.20 14	On 31.12.20 14	On 01.01.20 15	On 31.12.20 15	On 01.01.2 16
1	2		4	5	6	7	8	9
I. Equity								
Shareholders equity	1400	5520	5870	5870	5111	5111	5007	5007
Additional paid-in capital	1410	11599,1	8628,9	8628,9	7513,17	7513,17	7360,29	7360,2
Reserve capital	1415	8500	8500	8500	8500	8500	8500	8500
Retained earnings	1420	14298,1	10455,9	10455,9	9859,17	9859,17	10113,2 9	10113, 9
Total equity	1495	11321	12543	12543	11265	11265	10754	10754
III. Short-term liabilities								
Amounts owed to credit institutions	1600	0	0	0	0	0	0	0
Current liabilities								
accounts payable for goods, services and works	1615	9988,6	10006	10006	7483	7483	7795	7795
budget settlements	1621	956	0	0	0	0	0	0

1	2	3	4	5	6	7	8	9
social insurance	1625	67	65	65	61	61	47	47
remuneration	1630	90	90	90	90	90	95	95
Amounts owed to subsidiaries and related companies	1640	0	0	0	0	0	0	0
Provisions	1660	265	298	298	256	256	265	265
Other short-term liabilities	1690	28	35	35	38	38	56	56
Total short-term liabilities	1695	11394,6	10494	10494	7928	7928	8258	8258
Total equity and liabilities	1900	26200	28907	28907	24304	24304	24019	24019

### Dynamics of assets of LLC “Altavent” 31.12.2013-31.12.2017

Asset Item	Capacity in UAH					Absolute Deviation	
	On 31.12.2013	On 31.12.2014	On 31.12.2015	On 31.12.2016	On 31.12.2017	2014/2013	2015/2014
<b>I. Fixed assets</b>							
Tagible assets	2497	3447	4421	5797	2160	950	974
Intangible assets	16818	11150	10527	10114	4583	-5668	-623
<b>Total fixed assets</b>	19315	14597	14948	15911	6743	-4718	351
<b>II. Current Assets</b>							
Inventories	3629	5557	5713	7739	21871	1928	156
Trade accounts receivables	1091	1714	3653	3465	3154	623	1939
Accounts receivable for settlements	1291	722	1749	75	12454	-569	1027
Other accounts receivable	1247	1714	3653	4197	6262	467	1939
Cash and their equivalents	2334	0	16	65	13978	-2334	16
<b>Total current assets</b>	9592	9707	14784	15541	57719	115	5077
<b>Balance</b>	28907	24304	24019	31452	64462	391	-285



### Dynamics of liabilities of LLC “Altavent” 31.12.2013-31.12.2016

Asset item	Capacity in ths UAH			
	On 31.12. 2013	On 31.12. 2014	On 31.12. 2015	On 31.12. 2016
<b>I. Owner’s equity</b>				
Shareholder equity	5870	5111	5007	1219
Total equity	12543	11265	10754	8977
<b>II. Long-term debt</b>				
<b>III. Short-term liabilities:</b>				
- short-term loans from bank	0	0	0	0
- accounts payable for commode-ties, works, services	10006	7483	7795	2340
- social insurance	65	61	47	15
- remunera-tion	90	90	95	72
Provisions	298	256	265	401
Other short-term liabilities	35	38	56	18428
<b>Total short-term liabilities</b>	<b>10494</b>	<b>7928</b>	<b>8258</b>	<b>21256</b>

IV. Liabilities related to fixed assets held for sale and disposal groups				
Balance	28907	24304	24019	31452

Consolidated Profit and Loss Account of the LLC "Altavent"

Item	Code	Amount, ths UAH				
		2013	2014	2015	2016	2017
Net revenue	2000	14567	15369	20667	16074	4
Cost of sales	2050	18460	15118	17624	11047	2
Gross profit	2090	-3893	251	3043	5027	2
Other operating income	2120	200	1457	1860	756	3
Administrative expenses	2130	1033	985	1424	1597	1
Distribution costs	2150	2988	34	2	1306	1
Other operating charges	2180	2584	591	178	579	2
Other Income	2220	0	0	0	183	1
Other revenue	2240	0	0	0	183	1
Other Financial Income	2250	466	0	0	0	1

Other charges	2270	0	80	1146	450	1
Earnings Before Taxes	2290	-9832	18	2153	2034	1
Income-tax	2300	0	-18	-2153	-2034	-1
Net loss	2355	0	0	0	0	0