

**Budinskaya O.
V. Boyko, research supervisor
National Mining University**

APPLICATION OF MARKETING INSTRUMENTS TO MINIMIZE AND REPRODUCE MATERIAL COSTS OF THE INDUSTRIAL ENTERPRISE

The need to integrate production costs increases as soon as more complicated technological and organizational conditions of economic activity has become, with increasing demands for profitability and cost recovery, which in turn act as indicators of effective reproduction inputs. Companies that have economic independence must have a clear understanding about payback of various kinds of finished products, the effectiveness of each decision and its impact on financial results, as well as the amount of costs in general and especially materials (inventory). Some authors comply direction in developing the optimal strategy of cost management by defining two methods of classification: a strategy that focuses on enterprise competition by minimizing the cost of goods, and a strategy that supports competitiveness through higher quality goods. Both of these strategies require effective cooperation of all divisions with the marketing department. Such cooperation ensures clarity of tasks and effective solutions. However, whatever the enterprise strategy for competitiveness is, the problem of rhythm of the company, its ability to provide promptly the desired output specified quality and value is unchanged. Therefore, special attention takes prompt monetary reproduction of productive resources, especially material.

Firstly, it is necessary to determine the direct relationship of effective marketing division and material costs of the enterprise and, secondly, to outline the parameters of optimization of material resources, their reproduction in conjunction with the volume of sales. After all effective planning stage of marketing research can significantly reduce the cost volume of material costs and therefore reduce the amount of money necessary for their reproduction.

With marketing leverage possible to reduce material costs primarily at such stages of their movement as purchasing and sales. Prevention of loss of material at these stages can significantly reduce the amount of working capital and speed up their rotation for the further replenishment of resources spent, primarily material.