

place of science in the system of social and technological institutions of economic development is considered. It is pointed out that it is necessary to take into account the contradictory nature of society's perception of the results of science and innovation.

Key words: knowledge, the science, the common-life mind, the intellectual mind, poverty, social security, trial and error method.

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INNOVATIVE MAGNETISM OF BRANDING

Abstract. Intangible innovations are determined. An innovative view at the brand as a source of economic development is substantiated. Branding is considered as an instrument of the system of managing the competitiveness of the national economy at all its levels. The formation of the brand-oriented national economy of Ukraine is proposed.

Key words: intangible innovations, competitiveness, branding, brand-oriented economy, brand.

The current stage of development of the world economy, characterized by the global economic processes, the integration of trade relations, the limited natural resources (not only minerals, but also water and energy), requires the search for the latest tools of production and public administration, innovative approaches to modeling the national economy, increasing its competitiveness and efficiency. In such conditions, increasing the influence of non-material factors that affect the competitiveness of goods, companies and organizations, territories, including countries where the special place belongs to *intangible innovations*. Any economic, organizational, managerial actions regarding the correction of existing practices in commercial organizations, manufacturing enterprises and companies, scientific and educational institutions that are aimed at increasing the technical and economic efficiency of their activities, fairly considered *intangible innovations*, taking into account the commercialization of the results of these actions.

Among the large list of *intangible innovations* (restructuring of the organizational structure, management audit and improvement of links between the individual links, development and implementation of the strategy for development and promotion, implementation of motivating and stimulating mechanisms, etc.) branding is distinguished by integrational features, application universality and high level of commercialization.

The universality of branding is manifested in the possibility of its application to various objects - goods, services, events, individuals, territories, companies, networks, communities that cover all levels of the national economy. The universality

of branding thus simplifies the research and implementation of the branding algorithm of the national economy scale, relying on known concepts of A. A. Aaker [1], J.-N. Kapferer [2], K. L. Keller [3]. D. A. Aaker explores the brand as an external attribute of a product, an element of visualization, a communicator with a consumer, a metaphorical symbol of continuity and quality [1]; J.-N. Kapferer considers the brand as a strategic management tool for the company, analyzes the components of brand equity and their assessment (assets, strength, and brand value) [2]; the concept of K. L. Keller's «Customer-based Brand equity» (CBBE) relies on the study of associative perception of the brand by consumers and involves modeling competitive advantages in the minds of consumers, creating consumer loyalty to the brand, assessing the brand value [3]. Integration of the conclusions of the above-mentioned scholars provided the basis for the further development of the theory of branding and the formulation of the concept of brand-oriented development of the national economy (BONE). [4].

The high level of commercialization of branding as a tool for managing competitiveness and its relation to the innovation and competitiveness of national economies is given by the tabl. 1

Table 1 - Innovation, competitiveness of individual national economies and their relation to the level of branding development (2016)

	The value of the national brand of the country (USD million)	The value of brands of goods and services in the TOP-100 rating BrandFinance (USD million)	The coefficient of competitiveness of the national economy	The coefficient of innovation of the national economy
USA*	20574	1431945	5,6	61,4
South Korea	997**	106876	5,0	57,15
China	7087	350501	4,9	50,6
Germany	3882	188564	5,5	57,94
Great Britain	2942	116133	5,4	61,93
France	2339	82634	5,1	54,04
Spain	966	15689	4,6	49,19
Sweden	742	32519	5,4	63,57
Switzerland	998	23395	5,8	66,28
Japan	3002	224873	5,5	54,52
Netherlands	1121	31665	5,5	58,9
Ukraine	56	0	4,0	35,72

* The list of countries is made Provided that there are commercial brands in TOR-100 in the rating of BrandFinance in 2016, Ukraine is for comparison;

** The information is for 2014 due to the lack of such a rating in 2016.

The brand's integrational property is realized due to its universality and the existence of the natural impact of individual branding objects on one another. In particular, improving the management of the production processes of the company, the organizational processes of each organization or institution affects the commercial effectiveness of goods and services that are manufactured and provided by them; on the positioning and attractiveness of the company, the organization to attract investment, the best employees; on the improving the image of companies and countries where they operate. Country of origin of the brand-product (Country-of-origin – COO) Plays an important role in its further promotion and on the contrary - because of a weak national brand, the brand-goods and brand-services of this country are depreciating.

The study of the genesis of the brand showed the permanence of its development and its growing innovation from a simple brand identifying the owner of a product, a special mark that differentiates goods or services from similar ones, into a tool for managing the efficiency and competitiveness of individual products, companies, countries and supranational entities, in particular, the European Union. Changes in functional loading of the brand and its innovation shown in Figure 1.

Disclosure of the sources of obtaining profits from brands, studying the influence of their vectors, methodological approaches to improving the management of economic development and the competitiveness of branding facilities at all levels of the national economy has provided important grounds for defining the brand as a source of economic development, and branding is an instrument of the system of managing the competitiveness of the national economy on all its levels [4; 5].

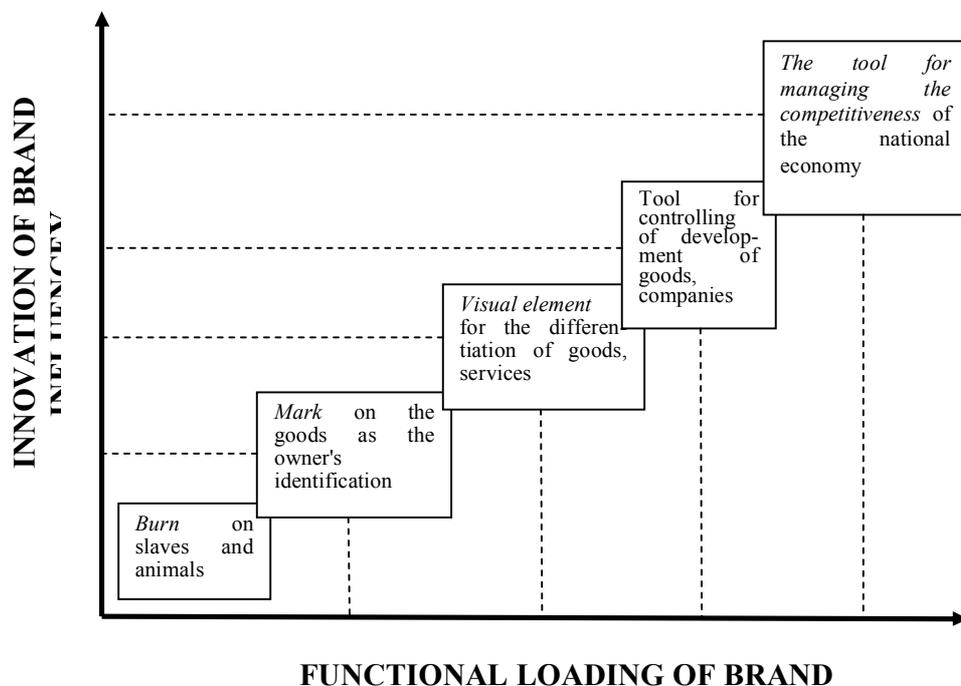


Figure 1 - Dynamics of the functional load of the brand (compiled by the author)

The brand has become an inalienable characteristic of the globalized world as a sign of high competitiveness of goods, companies, countries, as well as individual persons; it is the bearer of the unique qualities of economic objects that form the modern philosophy of production and consumption. The brand is connected with economic performance, moreover, it is associated with certain emotions, carries a spiritual and mental satisfaction to consumers, forms a positive perception of famous people, events, regions and countries. The brand of the country has become an effective tool for the development of national economies in many countries, an economic strategy to increase their competitiveness through increased exports of national products, investment attraction, highly skilled labor and high technology. The value of national brands in developed countries is evaluated higher than their budgets, in particular, the national brand «America» costs 18 trillion \$ USA, which is about 152% of US GDP [7].

Research of various forms of the brand has provided the basis for their polarization to commercial, those that can become the object of sale and non-commercial, which can not become such an object. Diversification of all forms of brand and harmonious development by balancing their content and forms ensures the formation of a brand-oriented national economy, which is defined by us as a structured industrial and territorial space, an organizational system of economic activity aimed at creating a set of competitive commercial and non-commercial brands, is regulated by the relevant institutional environment and enhances its efficiency. At the same time, it is important that branding should be definitive for both the subjects of production and public administration, and for the management process itself, ensuring their high quality and compliance with the world-class quality of management.

The universality of branding does not preclude the need to take into account the specifics of the impact of each form of brand on the competitiveness of the national economy, as shown in the table. 2.

The attractiveness (magnetism) of the economic results of branding of goods, companies, countries attracts the attention of scientists and practitioners. At the same time, should consider that the highest results can be achieved only by the companies, individuals, countries that purposefully, systematically and consistently implement a brand-oriented strategy, from its development, phased implementation and permanent management.

The systematic development of brand-oriented national economy involves the need to combine the efforts of production and state brand-management in the commodity and communicative areas by creating a stable architecture, choosing the optimal type of distribution system, forming an effective brand communication system that ensures the transformation of commercial brands into global.

The consistency of forming a brand-oriented national economy is the harmonious development and promotion of the commercial brands of the country, as well as the national brand of Ukraine, the need for which was proclaimed in the «Strategy for Sustainable Development «Ukraine 2020» [6]. At the same time, the sequence implies the necessity of harmonious development of the form and content of the national brand of the country, which we defined as a back-environment and a

front- environment of national brand, and the creation of an appropriate institutional environment that will stimulate and support the development of the national economy in the brand format [4, c. 272].

Table 2 - The role of various forms of the national economy brand in increasing its competitiveness

Forms of the brand	Influence vectors
Brand of the product	Increase of additional cost of production, creation of conditions for increase of wages, taxes in budgets of all levels; expansion of the consumer market.
The brand of travel services	Promoting the development of small, medium-sized businesses in related industries.
The brand of medical services	Definition of social equilibrium in society; quality assurance and long-term life of the population
Brands of telecommunication services	Providing information society, creating conditions for effective development of tangible and intangible production of the national economy.
The brand of educational services	Foster of intellectual potential of the country
The brand of the company	Increasing capitalization, liquidity of assets, activating the financial and credit system, solving socio-economic, environmental and demographic problems of the regions
Brand-persons	Improving the image of regions, countries, increasing investment
Brand-territory	Facilitating the development of the territory, increasing tourist flows and gross regional product, improving the ecological, socio-economic conditions of living and welfare of the population.
Brand-events	It is a source of significant incomes of the national economy and influences the efficiency of development and promotion of territories, in particular through the national brand of the country, which increases the efficiency of the national economy as a whole.
Branding of public government	Creating favorable conditions for managing and investing; Improvement of socio-economic, ecological, demographic conditions of population living.
Brand-oriented national economy (BONE)	Brand-potential synergy, improvement of the investment climate, increase of the national economy's efficiency, growth GDP of the country

Innovative branding magnetism corresponds the modern challenges of competition at the level of national economies, makes it possible to transform the brand into a powerful tool for managing the country's economic development, to create conditions for improving the competitiveness and efficiency of national goods and services, domestic companies, organizations and educational institutions, the national economy as a whole.

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Студінська Г.Я. ІННОВАЦІЙНИЙ МАГНЕТИЗМ БРЕНДИНГУ

Анотація. Визначено нематеріальні інновації. Обґрунтовано інноваційний погляд на бренд як джерело економічного розвитку. Розглянуто брендинг як інструмент системи управління конкурентоспроможністю національної економіки на всіх її рівнях. Запропоновано формування бренд-орієнтованої національної економіки України.

Ключові слова: нематеріальні інновації, конкурентоспроможність, брендинг, бренд-орієнтована економіка, бренд.