

**IMPLEMENTATION OF PARTNERSHIP MARKETING CONCEPT IN CORSS-BORDER  
COOPRRATION PROGRAMS OF BUKOVYNA CROSS-BORDER AREA**

**Iryna BUDNIKEYCH**

*Chernivtsi National University, Chernivtsi, Ukraine  
budnikevich@mail.ru*

**Tetyana TATARCHUK**

*Local Government Development Centre in Chernivtsi region,  
Chernivtsi – Ukraine  
tetyana.tatarchuk@gmail.com*

**Iryna GAVRYSH**

*Chernivtsi National University, Chernivtsi, Ukraine  
ira\_vision@mail.ru*

**Abstract**

*It considered the composition of scientific theories of territorial marketing, which includes situational and strategic vision. It proposed definition of the partnership territorial marketing concept and described approaches to understanding the structure of the marketing-mix. It argued that establishing of good-neighborly partnership between the border areas must be based on the concept of partnership marketing. It assessed cross-border cooperation as an effective mechanism for promoting cross-border region of Bukovina. The role and purpose of the policy considered to promote the Bukovina to internal and external markets. Described the goal, priorities. Participants project of joint Operational Programme «Romania - Ukraine - Republic of Moldova» European Neighbourhood and Partnership Instrument for 2007-2013. Outlined directions of improve the quality of project proposals in the area of cross-border cooperation through educational technology and the use of tools of territorial affiliate marketing.*

**Key words:** *territorial marketing, city marketing, situational concepts of territorial marketing, strategic concepts of territorial marketing, partnership marketing, marketing of interactions, marketing of relationship, relationship marketing, partnership, cross-border cooperation, cross-border programs, region promotion.*

**JEL Classification:** *G14, M31*

**I. INTRODUCTION**

The need for developing the theory and practice of marketing areas, which should be considered in several sections (as function, as management and as a philosophy of territorial development caused by the wide range of problems of cities and regions that can be solved by using its tools. This refers to the solution of the problems that most of local authorities unable to cope by traditional management methods, such as: preservation of existing and creation of new competitive advantages of the territory; identifying and satisfying the needs of internal and external subjects in public goods, services, ideas; increasing the attractiveness of the area; the achievement of development sustainable goals of local systems; establishing cooperation between cities, regions and countries; development of partnership and harmonization of interests of socio-economic relations, establishing international and cross-border cooperation.

The works of I. Budnikévych (Budnikévich, I., 2012) [1] identify different city marketing concepts. The composition of scientific theories includes situational and strategic marketing concepts. Using marketing of the city management (within the framework of situational concepts - manufacturing, product and marketing) is based on a set of technical methods, skills, actions that can successfully "sell" for example, the specific characteristics of the area (special geographical location of the territory, special resources, special objects that make the area more attractive to investors, tourists, visitors, etc.). Marketing activities within the framework of situational concept has not a systemic nature, the elements of the marketing mix developed enough, and results of marketing researches are perceived as a recommendation and not become the basis of territorial development strategies.

The strategic concepts allow the municipal marketing to position as municipal management philosophy: integrating management function of socio-economic processes (classical marketing concept), tool for identifying and meeting the needs of all city target audiences (the concept of social-ethical marketing) cooperation and partnership instrument (concept of relations, the concept of interaction). The obligatory condition of implementation of strategic concepts are complex strategic orientation on situational characteristics unlike other concepts.

The goal of territorial marketing forms with taking into account the specifics of socially important purposes: optimization of consumption, maximizing the degree of customer satisfaction, maximization of consumers choice, improving the quality of life. To meet mentioned purposes within a of territorial marketing concepts is almost impossible, each of them generates its purpose. Marketing Researchers Lou Mobley and Kate McKeown (Mobley, Lou, Kate McKeown, 1989) rightly argue that the modern approach to marketing should be based not on denying and completely change concepts, but on the succession borrowing, combining the useful experience accumulated in the past [3]. The formation of the new concept does not preclude task that territorial marketing performed within the framework of other concepts, but is changing their priority by setting new objectives.

In practice, the task of territorial marketing specifying depending on the area, which used its tools and target reference. In our opinion, it is necessary and possible make the transition from a marketing concepts of territorial marketing for Ukraine, where the goal is, for example, "earning the tourist city status" or "attracting foreign investment to the city" to strategically oriented concepts aimed at: in the classic - the status of a comfortable city to visit, life, education, management, implementation of capabilities, the investment; in social and ethical - environmentally, economically and socially sustainable city; in the concept of interaction - a partnership based on long-term relationships.

And within partnership concept: «Territorial Marketing» (city marketing, regional marketing, municipal marketing) is a philosophy of the territory functioning based upon formation, support and development of strategic mutually profitable relationships of interaction process participants (loyalty), aimed at determination and formation of new values that provides the territory sustainable development. Interaction participants are individual consumers, business, visitors, state institutions, non-governmental organizations, local authorities, other cities and territories – take direct part in formation of new mutual values, receive and distribute profit from this activity. In partnership relationship marketing concept and practice not market segments but individual consumers operate, i.e. each inhabitant, visitor, investor is regarded as unique; and it is necessary to establish long-term communications that will have more effect than marketing investigations (Budnikevich, I., 2012) [1].

Formation of the city marketing system and the practical implementation of marketing activities based on marketing-mix - set the parameters, tools, features, effort, measures of marketing the totality of which local governments can control and use to satisfy the needs of individuals, businesses and visitors, maximizing efficiency of its operations. Partner concept of territorial marketing should be based on an extended marketing-mix, the main component of which is the "partnership and cooperation» (partnership). British researcher A. Morrison [] inside the 90 years, presented an appropriate model "8RS", which successfully used cities in the implementation of programs of development of tourism and hospitality industry and includes the following components: "product", "collaboration", "people", "Packaging" , "planning", "place", "price", "promotion".

Polish researcher M. Florek (Florek, M., 2007, Florek, M., 2013) [5; 6], along with A. Shromnikom (Szromnik A., 2008) [7] in Poland develops the concept of marketing interaction areas (cities) with the external and internal environment. M. Florek (Florek, M., 2007) introduces the structure of the marketing mix: identity (means the impact on local people and businesses to enhance their self-identification with the city; partnership (actions directed to establishing close relations and cooperation with neighboring cities ( regions)); mehaprodukt (actions directed to optimizing spatial city development of its infrastructure and so on. etc.). promotion (activities directed to promote competitive advantages of the city outside the city on the subjects and tourists); people (an element that performs a coordinating role in other components of the marketing mix city) [6]. The element "partnership", in our opinion, complement the traditional range of municipal marketing and together with other marketing assets - "image", "market knowledge", "territorial brand", "process" and "physical treatments", "confidence", " strategic relationships with partners "- will provide implementation of the concept of interaction (Budnikevich, I., 2013) [1; 2].

The main idea of marketing interaction is that the object is not cumulative management decisions, and relationships - communication with target audiences. Marketing of interaction considers communication a wider perspective - like any relationship territory with its partners, which allow each side to benefit. Relationship marketing based on electronic information technology, computer databases, which are recorded food, price, communication preferences of target audiences, their profile. These technologies allow you to personalize the marketing area, collecting specific information about consumers, to form individual product-oriented - the strategy of city or region consists of the sum of its individual policies. Important is not so much territorial product as its growing consumption in target audiences. Exactly it is established contacts with the public, business investors, visitors and the system of distribution and consumption determine the success of local programs.

Establishing good-neighborly partnership between the border areas of Northern Bukovina - Chernivtsi region of Ukraine and Romania Suceava county certainly should be based on the concept of affiliate marketing. You can define terms such interaction should create a special, new benefit for the individual consumer - residents, visitors, investors, entrepreneurs, the benefits of which will receive the participants of all aspects of interaction; transboundary product is created with the active participation of all members, community members

act as not only as consumers but also as creators of the good that they want; projects of cross-border cooperation aimed final result, which changes the cross-border environment and needs local community so active all the processes controlling - planning, monitoring, analysis and decision-making in all functional areas of the city (regular audits subjected to quality projects, existing technology management, communication, qualification personnel strategy areas and means of their implementation); you need to establish a continuous long-term mutually beneficial cooperation with key stakeholders - residents, visitors, businesses, investors, local pressure groups, NGOs, representatives of local government, business partners, individuals and legal entities of regional, national and international levels who are interested in the results of the projects; should form conditions for priority development, permanent improvement and long-term forecasting relationships with regular customers transboundary product; to enhance product satisfaction comprehensive transboundary necessary to establish achieved through management of the system of "hard" and "soft" factors marketing mix which is aimed at the target groups of consumers and meet the competitive positioning of the territory in space; formed new forms of partnership with neighboring countries and territories and new tools for strengthening the community in the international arena.

At present, in the joint efforts of the European institutions to overcome the crisis in Ukraine and Eastern Europe great urgency is the necessity to strengthen the position of strong local communities on the international stage. Actual direction of the work of the territorial authorities of Ukraine and Romania as cross-border regions should increase awareness of existing and potential participants about a favorable investment, business, tourist, cultural and social climate in the region of Bukovina. This activity involves creating a positive informational environment and its information infrastructure which will increase the interactivity of relationships with stakeholders, will allow to receive residents, businesses, visitors and investors and attract new boost.

The goal of promoting the region of Bucovina is the creation, distribution, support and purposeful changing of knowledges, attitudes and behavior of target audiences in relation to cross-border product (profile, benefits, attractiveness, achievement, intentions, studies, strategic and tactical decision). In this element clearly manifested differentiation of the marketing mix for internal and external target segments. which include not only those persons who are residing in the region, working, doing business, investing, constantly is visited by them but also potential customers, so-called external subjects, including overseas. Build a proper communication with an external media box - is a priority for the region of Bukovina, which actively fights for tourists, investments, staff. It is important to understand that today a way out of any region of Ukraine on the international markets with its own positioning - is almost spontaneous process but this process is developing rapidly and significantly affect the positioning of the state as a whole. So in the planning of promotion of cross-border regions as habitats, tourism, visit, business investment is extremely important to take into account regional accents that already exist in the foreign information field.

Actuality of development of the full set of communication for border areas caused by the need of promotion their a partnership markets where you have to form a stable and effective demand for the product areas and provide of promotion offers. Today, the most effective driver to promote the Bukovinian region on foreign markets are and remain the cross-border cooperation.

Due to its geographical location and historical conditions Chernivtsi region have long been located at the crossroads of transit trade routes, different cultures, nationalities, religions and political views. And now our region is an active member of the international technical assistance. Special attention is paid to cross-border cooperation and cooperation with the European Union. Implementation of projects under the European cross-border initiatives will bring economic and social services field for more than 16.0 mln. euros. Total amount of grant funds within 27 projects under the Joint Operational Program "Romania - Ukraine - Republic of Moldova» ENPI / CBC 2007-2013 is 9,034,000. euro.

To date, the most successful, in attraction of grant funds, was involved in the area of the joint operational program "Romania - Ukraine - Republic of Moldova" of the European Neighbourhood and Partnership Instrument for 2007-2013. Only under the said program implementation of 29 common cross-border initiatives allowed to engage in economic and social services area more than 16.5 million. euro.

Joint Operational Program (hereinafter JOP) has been developed by three partner countries under the program and is represented by 10 March 2008 to the European Commission for financing. Joint Operational Program "Romania-Ukraine-Republic of Moldova 2007-2013" was approved by the European Commission 29 July 2008 as a program co-funded by the European Union through the European Neighbourhood and Partnership Instrument 2007-2013.

Aim of the program was: "" create "bridges" between the three countries in order to work together to help overcome and find common solutions to problems in the border areas. " Through The Joint Operational Program "Romania-Ukraine-Republic of Moldova" population in the border areas were encouraged to further economic development, opposition to environmental issues and enhance their emergency preparedness. The program also promotes greater interaction between people and communities living in the border areas.

Total budget of JOP Program formed 126,720,000 EU contribution. Euros for the period from 2007 to 2013, while the minimum co-funding of the participating countries of the program is 11.4 millions Euros. Reach

of the JOP "Romania-Ukraine-Republic of Moldova 2007-2013" was defined, in Romania - the counties of Suceava, Botosani, Iasi, Vaslui, Galati and Tulcea; in Ukraine - Odessa and Chernivtsi regions; the Republic of Moldova - the whole country. In addition, were added neighboring to the border area, which can positively affect the cooperation in the border areas, county Braila in Romania, in Ukraine - Ivano-Frankivsk and Vinnytsya regions, ten districts in Khmelnytsky region, twelve districts of Ternopil region.

As a priority the JOP Romania-Ukraine-Moldova were identified:

Priority 1: Towards a more competitive border economy. This priority aims to improve the economic situation of border areas by supporting diversification and modernization of the economy.

Priority 2: Environmental Challenges and Emergency Preparedness. This priority aims to develop long-term solutions of ecological problems faced by the border areas, particularly those associated with environmental emergency situations where coordinated approach is essential.

Priority 3: Cooperation "Man to man". This priority is was intended to promote greater interaction between people and communities living in the border areas.

As of January 1, 2016 with 29 projects under the joint operational program "Romania - Ukraine - Moldova» ENPI / CBC 2007-2013 completed the implementation of 24 projects, even 5 projects implementation period extended to the middle of 2016. Industry structure of 24 completed projects (Table 1) includes: 7 in tourism; 5 in entrepreneurship; 1 in the field of medicine; 2 on the protection of the environment; 7 of safety of life and development of the population; 2 others.

**Table 1. Completed and operating cross-border cooperation projects within SPO "Romania - Ukraine - Moldova» ENPI / CBC 2007-2013**

№	Name of the project	Executors
1	«Using of advanced European experience - the basis of the improvement of health services in the region»	The Central regional hospital of Zastavna
2	«Development of a network of event tourism in Bukovina»	Chernivtsi city council
3	«Cultural Bukovina - restoring forgotten»	Hlyboka regional council
4	«Destinies, united in sports»	Chernivtsi regional organization of sports motorcycling
5	Overcoming borders: the development of mountain tourism	Chernivtsi City NGO «Business Center»
6	Improving the safety of the population in the valley of the Prut River in the border area of Moldova and Romania	Novoselytsya Regional State Administration
7	Historical and ethnographic heritage - as part of the sustainable development of tourism in Bukovina	Chernivtsi National University named after Yurii Fedkovych
8	Improving cross-border management of solid waste in the Republic of Moldova, Romania and Ukraine	Novoselytsya city council
9	Medieval pearls: Hotyn, Soroca, Suceava	The State Historical-Architectural Reserve «Khotynska fortress»
10	Eco-Carpathians: the development of eco-businesses in the Carpathians border as a way to improve economic competitiveness	Chernivtsi City NGO «Business Center»
11	Access to information about environmentally friendly products in the cross-border region	Bukovynian Center for Reconstruction and Development
12	Formation of network institutions of innovation infrastructure of cross-border region	Bukovynian Center for Reconstruction and Development, Chernivtsi city council
13	Strengthening of communication between people with visual impairments in the cross-border region	Chernivtsi Regional Organization Ukrainian Society for the Blind, Bukovynian Center for Reconstruction and Development
14	Border protection from the dangers of propagating stray animals	Chernivtsi city council, Bukovynian Center for Reconstruction and Development, Chernivtsi Regional NGO «Protection of Animals»
15	Improving the environmental situation in basins of rivers Prut and Dniester by improving wastewater treatment systems in Chernivtsi Cahul	Bukovynian Center for Reconstruction and Development, Chernivtsi city council
16	Using the European experience on combating of soil erosion	Kitsman Regional State Administration
17	Медицина в надзвичайних ситуаціях – швидка відповідь на транскордонні виклики	Novoselytsya Central Regional hospital, Zastavna Central Regional hospital
18	The program of promoting healthy lifestyles, «Selecting the youth - sports»	Sokyrianska Regional State Administration
19	Cross-border network of ecological agriculture «EcoAgrinet 2»	Bukovynian Center for Reconstruction and Development
20	Centre of joint business support - to promote entrepreneurship in the cross-border area of Romania-Ukraine-Republic of Moldova (Jo.B.S Center)	Bukovynian Center for Reconstruction and Development

21	The principles of sustainability concept of integrated space in urban areas in the cross-border region	Bukovynian Center for Reconstruction and Development
22	Cross-border tool for managing of household waste in rural areas	Storozhynets Regional Council
23	Save the past in order to save future	«Chernivtsi Regional Museum of Folk Architecture and Life»
24	Information Safety System of The Road Traffic	Chernivtsi city council, Bukovynian Center for Reconstruction and Development
25	Safe tourism in the mountains of Bukovina	Department of Ecology and Tourism of Chernivtsi Regional State Administration
26	Development and management of complex urban development plans	Novoselytsya Regional Council
27	Cross-border support center for the promotion of livestock	Hertsaivska Regional State Administration
28	«Construction of international automobile border crossing points «Krasnoilsk», «Dyaktivtsi»	State Fiscal Service of Ukraine
29	«Prevention and flood protection in the upper basins of the Siret and Prut by implementing a modern monitoring system with automated stations - EAST AVERT»	Dniester-Prut Basin Department of Water Resources, Chernivtsi Regional Center of Hydrometeorology, SSTC «Ekoresurs»

In the framework of the joint operational program «Romania - Ukraine - Moldova» ENPI / CBC 2007-2013 completed the implementation of large-scale infrastructure projects «Construction of international automobile border crossing points «Krasnoilsk», «Dyaktivtsi» (3,5 mln. euros) and «Prevention and flood protection in the upper basins of the Prut and Siret by implementing a modern system of automatic monitoring stations EAST AVERT» (4 mln. euros).

The area involved in the preparation of new programs of border cooperation «Romania - Ukraine» and «Hungary - Slovakia - Romania - Ukraine» European Neighborhood in 2014-2020 years. The list of major infrastructure projects that will receive funding in the framework of cross-border cooperation «Romania - Ukraine» is included in the project proposal of the Chernivtsi region «Improving cross-border infrastructure - open gate to Europe» with a budget of more than 4.0 mln. EUR, which includes construction under 'yiznyh ways to checkpoint «Krasnoilsk». Also in 2015 began the practical implementation of the program of territorial cooperation «Ukraine - Moldova» through competitive selection of projects with a total budget of 3.3. mln. EUR. It is planned that the project implementation will begin in 2016.

The region active project of the European Union and UNDP "Local Development Based Approach to Local", which provides Micro-grants to local communities to implement local development projects. So, at this stage, as part of the 3rd phase of the project in the area are 2 components: "Energy Efficiency" and economic component aimed at agricultural service cooperatives. In the framework of 32 active projects our communities carry out energy efficiency measures, modernizing rural infrastructure and create new jobs.

These are just a few examples of successful international cooperation project communities in our region. Of course, each project is a great job with its design and implementation. So the importance of skills and knowledge in project management is no need to convince anyone. However, a number of donor organizations notes the low quality of project proposals by local state and local governments, not a serious approach to it, and to implement projects. To that end, the economic faculty of Chernivtsi National University named after Yurii Fedkovych introduced an interactive course on management of innovation projects, providing immediate skills for students to develop, write and implement projects in practice as well as information on current donor programs in Ukraine and open calls for proposals.

## II. CONCLUSIONS

Territorial marketing is general and central concept that facilitates the movement areas (regions and cities) from the bureaucratic model to its partner forms a shift from institutional hierarchical models of power to the network, information, flexible models and hence partnership concept to municipal marketing. Establishing good-neighborly partnership between the border areas of Northern Bukovina - Chernivtsi region of Ukraine and Romania Suceava county certainly should be based on the concept of affiliate marketing. As part of the partnership model of transborder cooperation active participant in the exchange is not only the initiators and executors of the project, local authorities, public organizations, but also regional cross-border consumers of the product, which should be seen as equal partners and both parties should get benefit from the relationship.

In order to promote the "Bukovina as border territory partnerships and strengthen market positions in between the national scale marketing program should include a number of mandatory elements: discovery area offices in the cities of partner regions; realization in the region of major international events (basic requirements: annual, permanent organizing committee, direct involvement of local authorities in the preparation and conduct); conducting and participating in international competitions, grants, general regional and national exhibitions, fairs, festivals, presentations; realization of international scientific conferences, symposia, congresses; implementation of joint projects; directly for the first of the border area; Lobbying opening trade missions and

consulates; many foreign leaders meeting with representatives of area business corporations and public organizations.

One of the most effective instruments of influence on the position of the target consumer is the realization of joint projects of cultural, scientific, social orientation. In our view, it is important not so much cross-border cooperation program, as its growing consumption in regional audiences of regions taking part in these programs in the formation of long-term mutually beneficial partnership. Well-established communications with the public, business investors, visitors determine the success of cross-border programs. In the formulation and implementation of individual projects should be borne in mind that the modern territorial marketing partnership based on electronic information technology, computer databases, which are recorded food, price, communication preferences of target audiences, their profile. These technologies enable personalized marketing area, collecting specific information about customers, generate individually-oriented product of Bukovina region - the strategy of the region consists of the sum of individual policies of its residents, businesses and investors.

### **III. REFERENCE**

1. Budnikevych, I. Municipal marketing: theory, methodology, practice. Institute of regional investigations, Academy of Sciences of Ukraine – Chernivtsi: Chernivtsi national university, 2012. 645 p.
2. Budnikevych, I., Tatarчук, T. City marketing: technologies of partnership relations formation. Quarterly Electronic Journal «Caucasian Economic Triangle». 2012. №4
3. Mobley, Lou, and Kate McKeown. Beyond IBM: The Inside Story. New York : McGraw-Hill, c1989 xxiii, 253 p.
4. Morrison A. Hospitality and Travel Marketing, Delmar Publishers, 1989/2001.
5. Podstawy marketingu terytorialnego / Florek Magdalena. - Poznań : Wydawnictwo Uniwersytetu Ekonomicznego w Poznaniu (UEP), 2013. 186 s.
6. Podstawy marketingu terytorialnego / Florek Magdalena. - Poznań : Wydaw. AEP, 2007. 196 s.
7. Szromnik A. Marketing terytorialny. Miasto i region na rynku. – Kraków: Oficyna, 2008. 268 s.