INTEGRATION OF INFORMATION TECHNOLOGY IN DEFINING VALUE PROPOSITION AS A KEY ELEMENT OF THE COMPANY'S MARKETING STRATEGY AND COMMUNICATION

Klymenko D. A.

Supervisor – PhD (Ped.), Associate Professor Shekhovtsova V. I.

Kharkiv National University of Radio Electronics, chair ICS,

Kharkiv, Ukraine

e-mail: daria.klymenko@nure.ua

Market entry success transcends product or service quality, demanding strategic marketing. A striking 35% of startups fail by missing actual market needs, pointing to a gap between entrepreneurial offerings and customer demands. This often arises from poor customer data analysis methods. Emphasizing customer data's role is crucial for creating compelling value propositions. Aligning products with customer needs, through data analytics, is essential for informed decision-making and strategic planning. This approach significantly improves market entry success odds by ensuring offerings meet real customer demands.

A deep understanding of marketing and the ability to effectively present your proposition to potential buyers are critically important. In the context of modernity, it is incredibly important to implement information technology in the development of your business, as it plays a key role in achieving competitive advantages and ensuring sustainable growth. Creating value propositions varies with each business, requiring customized strategies based on specific needs and customer demands. Indeed, the utilization of Natural Language Processing (NLP) and machine learning in customer feedback analysis is a game-changer for businesses striving to enhance their product or service offerings. These technologies allow for the efficient handling of vast amounts of unstructured data, such as online reviews, social media comments, and customer feedback surveys, turning them into actionable insights. NLP techniques, for example, can automatically classify feedback into categories such as product features, customer service experiences, pricing concerns, and more. This categorization aids businesses in quickly identifying areas that require attention. Sentiment analysis, another NLP application, assesses whether the feedback is positive, negative, or neutral, providing a sentiment score that helps in measuring overall customer satisfaction and detecting changes in perception over time. Machine learning algorithms further refine the analysis by learning from patterns in the data. For instance, they can predict customer churn by identifying the specific issues or experiences that lead to customer dissatisfaction. They can also highlight emerging trends in customer feedback, allowing companies to proactively address potential problems before they escalate.

Sentiment analysis, also known as opinion mining, is used to determine the overall attitude of the review author—positive, negative, or neutral. It is one of the most common methods for identifying flaws through the analysis of negative

reviews. Word Count involves tallying known positive and negative words, while Machine Learning uses classifiers like logistic regression, SVM, naive Bayes, or neural networks for review classification.

Analyzing customer orders involves sophisticated algorithms that can sift through large datasets to identify patterns, preferences, and gaps in the market. Customer data analysis algorithms are key for insights that enhance decision-making and strategic planning. Cluster Analysis means that groups objects (e.g., customers) based on similar characteristics, identifying segments with similar needs or behaviors. Classification predicts categorical outcomes, determining customer satisfaction based on previous interactions and data. A myriad of technologies exists for the crafting of value propositions, with the efficiency of each varying according to the specificities of a given business model. The selection of an appropriate combination of tools and methodologies is a bespoke process that necessitates a thorough consideration of the business's unique requirements and objectives, its target demographic, as well as the distinct characteristics of the product or service on offer. The adoption of a customized approach is crucial for maximizing the value delivered to customers and for achieving a competitive edge. Subsequently, we will delve into the principal methodologies [1].

By thoroughly understanding these aspects, businesses can ensure that their offerings are not just beneficial but are also closely aligned with what their customers truly value. This alignment is critical for differentiating in crowded markets and for building long-term customer relationships. Moreover, focusing on customer pains and gains allows companies to empathize more deeply with their users. Ultimately, the Value Proposition Canvas serves as a strategic tool, guiding companies in refining their products or services to better meet the needs of their target audience. Creating a value proposition, it's crucial to focus on three key aspects: the functions of the product or service, customer pains, and their gains:

– functions describe what the product or service does, its main features, and benefits it offers;

– pains include concerns, doubts, or potential barriers that might prevent a customer from making a purchase;

– gains relate to what customers hope to have from the product or service, including the desired outcome or experience.

Customer Development prioritizes understanding customer needs for business success. It involves a four-stage process for validating hypotheses and building a customer base, aiming to reduce risks and improve product-market fi.

The «Three Essential Questions» concept from Harvard Business School is a strategic approach for refining a business's value proposition, focusing on:

1. Who to Serve: Identifying customer segments the business aims to cater to.

2. Needs to Satisfy: Determining specific customer needs the business intends to meet, leveraging its unique capabilities.

3. Pricing for Value: Establishing a competitive price that offers value to customers while ensuring profitability for the business [2].

Incorporating the Analytic Hierarchy Process (AHP) into the analysis of customer orders and feedback facilitates a structured and objective approach to

decision-making. This methodology is particularly beneficial in complex scenarios where multiple criteria must be evaluated to enhance technology offerings. By breaking down the decision-making process into a hierarchy of more manageable sub-problems, each of which can be analyzed independently, AHP helps in systematically comparing the importance of these criteria relative to each other. To implement AHP effectively, it's vital to engage with stakeholders from different departments within the organization, such as product development, customer service, and marketing, to ensure a comprehensive set of criteria is considered. This collaborative approach not only enriches the analysis with diverse perspectives but also promotes alignment and consensus among various teams regarding the priority areas for improvement.

In business, there are numerous tools for analyzing customer data, each with its unique functions and advantages. They are actively used today. Here are a few of them:

1. Google Analytics is web analytics service that allows tracking and analyzing website traffic. Google Analytics provides detailed information on user behavior, helping to understand where visitors come from, which pages they view, and how much time they spend on the site.

2. To better understand and present data, visualization tools such as Tableau, Microsoft Power BI, or Google Data Studio are used. They allow creating interactive dashboards and reports, making the analysis more comprehensible and accessible.

3. AI and machine learning tools like TensorFlow or IBM Watson can analyze patterns in customer data to predict behavior and needs. This enables companies to tailor their strategies and products to market needs with high accuracy [3].

Investing in advanced data processing and analytics technologies is crucial for businesses targeting success through a customer-centric strategy. The development of an effective value proposition is fundamental, as these technologies facilitate a comprehensive, deep understanding of customer needs, preferences, behaviors, and expectations. This, in turn, enables businesses to tailor their products or services more precisely and innovatively to the desires of their target audience. This approach not only significantly enhances customer satisfaction but also drives a sustainable competitive advantage in the market.

List of references:

1. Шеховцова В. І., Клименко Д. А. Аналітичні підходи та інструменти розробки ціннісної пропозиції в сучасному бізнесі. // VIII International scientific and practical conference "Scientific Research as a Mechanism of Effective Human Development" (January 31 – February 2, 2024) Sofia, Bulgaria, International Scientific Unity. 2024. P. 89–91.

2. Value Proposition Design / A. Osterwalder et al. Hoboken, New Jersey : John Wiley & Sons, Inc., 2014. 295 p.

3. Luna J. C. The 9 Best Data Analytics Tools for Data Analysts in 2023. Learn Data Science and AI Online DataCamp. URL: https://www.datacamp.com/blog/the-9-best-data-analytics-tools-for-data-analysts-in-2023 (date of access: 31.01.2024).