

Methodological Issues of Regional Reproduction on the Basis of the Marketing Approach

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Abstract: This study discusses the understanding of reproduction processes in the region of marketing positions. In particular, it is shown that the main factor of self-preservation and self-development of the regions is the reproduction in which all aspects of life of the local population on the principles of market economy, including the development of industrial and manufacturing base, the reproduction of goods, jobs, labor, culture, and others. As a methodological basis formation of conditions necessary for the regional reproduction, considered marketing territories. It involves identifying the unique characteristics of the territories and their use in business by ensuring the functioning of local markets. It is also proposed to use marketing approaches to the formation of socio-economic development of regions and the formation mechanisms of management of regional reproduction process.

Key words: Reproduction, self-preservation, methodological, regional reproduction, territories

INTRODUCTION

With the dominance of the liberal economic model questions provide the economic basis for the existence of the regions and their future social and economic development in cross-country and inter-regional competition become particularly acute. The prerequisite for this is to ensure their extended reproduction in the broadest sense as applied to the functioning of the economic sectors and to the livelihoods of local people. And if many years in market conditions existed abstract hopes to attract foreign investment which should have become a driving force of economic growth, today the illusions in this respect remains. It became obvious that the most reliable source of domestic growth may act as the internal resources of the regions. Accordingly, it should stimulate the development of domestic industries, to develop natural-environmental, tourist, cultural characteristics and to promote them at the same time solving the problems of economic development of businesses and improving the welfare of the population. In this regard, a promising tool for such activities could have a new scientific concepts such as the marketing area.

The purpose of this study is to attempt theoretical understanding of the processes of reproduction in the regional economy to marketing positions. The complexity of the object of research and the need for a thorough

preliminary analysis of the processes described here can not talk about the use of specific and reliable research methods such as an experiment. And makes use of scientific methods of cognition as observation, analysis, synthesis, induction, deduction, analogy method. Their application and deep theoretical analysis of the literature allowed to issue the following research results.

The content reproduction in economic studies; historical review: Human reproduction has traditionally been the focus of economic science. Even the representatives of classical direction (A. Smith, J.B. Say and others). Were looking for a “natural” level of prices depending on the factors that make up the value of the goods: labor (wages) the land (rent), capital (percentage). In turn, marx in “capital” reproduction treated as an excess of the cost of goods produced with:

$$T = n+v+m$$

over the value of the advanced capital:

$$K = c+v$$

Where:

c = constant capital

v = variable capital

m = The surplus value (Marx, 1973)

Public reproduction process Marx represented by the distribution of the gross national product for the reimbursement of the means of production as well as manufacturers of individual consumption and social structures (Marx, 1970). This concept is widely used in the future for the development schemes of reproduction of the national economy.

Representatives of the neoclassical theory of reproduction have reduced the problem of determining the marginal product and factor markets. Marshall formulated the principle of marginal productivity which corresponds to the state of simple reproduction of Karl Marx. "When we speak of the marginal, or the "last" dose applied to the land we do not mean the last in time, we mean that dose which is on the margin of profitable expenditure that is which is applied so as just to give the ordinary returns to the capital and labour of the cultivator, without affording any surplus" (Marshall, 1920).

The development of these views is reflected in the works of Wicksteed and Flux whose national income is equivalent to the combined works of equilibrium price factor of production, certain of its marginal product and the number of these factors. Douglas Cobb developed a production function which showed that if the salary is set in accordance with marginal earnings in the latest work, the total payment for labor is equal to a certain percentage. A similar result holds for the capital.

In the future, we have developed other varieties of production functions: linear, Leontief type, CES, etc. Varying the parameters of time, human labor, fixed capital, other factors, the conversion of the functions and the use of different scales (for the company, industry, country, etc.) gave rise to a considerable variety of economic and mathematical models that are widely used to study the needs of the reproduction processes from the point of solving problems such as the optimization of production volume, cost minimization, optimal resource substitution, and an average increase in marginal productivity, etc. An incomplete insight into the problems allows to note that the term "reproduction" is rarely used today. In more recent studies often use the term "economic growth". As semantic analogue extended reproduction, this term, however, involves an important difference. In particular, economic growth is interpreted as "an integral characteristic of growth as the product of quantitative growth and growth by improving the quality of products and services". Thus, the concept of economic growth is seen as a more complex concept than the term of reproduction, since in addition to the quantitative components, it includes also the quality.

But excessive emphasis on the qualitative aspect is quite able to lead to the substitution of basic economic laws of "cost-income" unformalized criteria to distort

the argument and as a consequence to unwarranted conclusions. This danger becomes a particularly acute when planning integrated development areas because of the complexity of the processes and the high importance of social factors. Therefore, we believe the concept of reproduction is not only useful but necessary tool for formalizing models of any socio-economic actors and in particular the regional economy.

MATERIALS AND METHODS

The reproduction process in the regional economy and their role in the development of territories: Many of the founders of the regional economy and called it the reproduction of one of the region-factors (Dobriynin, 1977). As the region is determined not only by geographical boundaries and climatic conditions but also the social parameters of life of people within these boundaries (Belyaev, 2012) it is evident that for the normal life of the population in these limited areas of socio-economic, cultural, infrastructural and other conditions have played repeatedly.

The essence of reproduction in this context is expressed in the continuous renewal of acceptable conditions for normal life in the region. The understanding of the reproductive processes of their internal content you can use the provisions of the labor theory of value. If a restart is carried out on the same qualitative (the quality here is understood as a philosophical category which is a system of descriptive characteristics that reflect the status of the life support of the population in the region) and quantitative basis, then it is a simple reproduction. If reproducible parameters vary upward quality and quantity of the expanded reproduction. It follows that the simple reproduction adequately trivial operation in the region which in essence, identical to stagnatio (under the operation of enterprises in the region, in general, refers to the activity without improvement as well and the deterioration of basic volume indicators characterizing the state of affairs at the enterprise, in the region; growth rates and growth rates for the trivial operation of zero which allows us to talk about the absence of development or stagnation). Extended reproduction is the unconditional development. The deterioration of the quality and quantity of reproduction processes indicative of depressed areas, reflected in the fall in gross regional product, reducing the number of jobs, reducing the population of the region, changing its demographic structure in the direction of increasing the proportion of older people and reducing fertility. Thus, the normal activities in the region and especially the future, should be associated only with the expanded reproduction.

The reproduction process in the regions characterized by a very wide variety and have some distinctive characteristics compared to the reproduction of individual enterprises. And here not only refers to the regions as formal subjects of the administrative-territorial division but also as their smaller components: regions, municipalities and even some of their territorial entities (Belyaev, 2012).

The basis of the concept of reproduction is intended to serve, primarily, the company providing the region's needs in products and services. Their manufacturing activity creates a set of jobs which employed working-age population in the region. Consequently, the expanded reproduction at the industrial enterprises in the region and provides an expanded reproduction of the jobs which entails the solution of important social problems, primarily with local employment. Ensuring a high level of employment impact on improving people's living standards, reducing the migration outflow of population growth in the birth rate, etc. Consequently, the regional reproduction includes an extremely wide range of economic, social, cultural, educational and other aspects of life in the region.

Based on the above we can conclude that the dominant regional reproduction is the reproduction in manufacturing plants located in the territory. In the course of market reforms, many of these companies either ceased to exist or are not in the best condition of the reproduction process on them in fact, not. As a consequence, the population of these places shrinking and aging, young people leaving in search of work, living standards fall but on the territory of stagnation comes first, then depression. This situation is typical of many small towns and rural settlements of Russia.

From here you can make one conclusion: any stagnant area (small town, village, municipality, etc). If the company is not interested in her "death" in need of intensive care facilities at the local level and the reproduction process of expanding character. But any reproduction in the region, even the simplest is only possible if the products manufactured in its factories, finds a buyer. This demonstrates the dialectical relationship of production to the market (even if only a local or local).

Thus, the development of the region can be represented in the form of two interacting components that are under a financial, socio-economic and organizational basis: on the one hand, it is enterprises producing products and on the other side of the local market on which these products are in demand. Otherwise, any reproduction process or the development of the region impossible.

Local market: Ideally, the extended reproduction in the regions must be based, primarily, on local industry: namely, enterprises of agriculture, food industry, construction materials, etc. But this would only be possible if the production of local companies will be in demand as local markets.

The concept of the local market is ambiguous. For example, depending on the object of analysis below it can understand and limiting the global market (when out of the world market isolate certain territory including the country or countries where the product is sold). Local can be considered and the market in the district, municipality or even its individual parts. This is often the local market do not coincide with administrative borders. This is in a situation where enterprises located in the territory, export products abroad. With such a position can also be argued that each enterprise has its own local market. It is quite legitimate judgment.

To us it is important to understand that from the perspective of reproduction of the local market should provide the necessary conditions for the development of the production base. Namely, it should have unique characteristics, including business structures in the territory will be able to extract financial gain. The provision of such characteristics for specific "local markets" will indicate the direction and nature of incentives targeted actions aimed at the maintenance and development of the reproductive process in local areas.

RESULTS AND DISCUSSION

Marketing areas; its role and importance in the development of local markets and reproduction processes in the regions:

The problem of regional reproduction in local markets can be addressed through the development of marketing concepts territories (Belyaev, 2008). Its essence lies in the search for the unique characteristics of a particular area as well as interested in these subjects (businessmen, tourists, potential migrants the inhabitants of these territories, etc.) for further advancement.

Marketing thinking associated with the search for a product or service that has value in the eyes of consumers in order to develop measures for their further promotion. When marketing areas such specific product area and considered a variety of values, consistently associated with it (trademarks, manufactured products, natural landscapes, etc). It should be remembered that marketing areas can help if an object is present in the region for the sale, if there is nothing to promote marketing efforts will not bring the desired effect.

Marketing areas, in promoting it among stakeholders (territory) the unique characteristics and will promote the

development of local markets: there will be new local businesses and, consequently, new jobs. It will increase the employment rate of the population living in this area, therefore, the standard of living, etc. In other words, marketing areas, promoting the development of local markets will contribute to the development of the reproductive process in the territory in its entirety from the development of local production to population growth.

You have to understand that the key role marketing plays in the territorial administrative resources. But as the market and the local is no exception does not tolerate excessive administration, it is very important is the question of the degree of freedom of enterprise structures in the organization of the management of territorial entities. It is important to encourage the development of entrepreneurial activity through the creation of local markets highly mobile medium and small companies, which can be oriented to promote and “sell” the unique characteristics of the territory. An example is the development of the local tourism market in the small town Myshkin in Yaroslavl region. The city with a population of about five million people has more than twenty museums. Among them is a museum dedicated to the life and life of the inhabitants of this area in the past century (Museum of boots, Museum of flax, home crafts with master classes at the blacksmith and pottery at the art glass processing, miller’s house which demonstrates not only the process of making flour but the life of the mice in the mills, etc.) and of course, there is a museum dedicated to the actual mouse myshkin chamber. All these museum are small structures managed by different independent in the development of the concept of museums, organization of tourist services, etc. As a result, a city with a population of five thousand annually receives more than a hundred thousand tourists each year that in fact, creates a budget. The city is practically no unemployment everyone is busy and not only in the field of tourism. There are crafts enterprises, small family enterprises producing food to offer them to tourists on the local market (honey, smoked fish, etc). Regional reproduction processes are at the stage of recovery. Persons without permanent residence in the city.

Thus, the concerted efforts of the city authorities for the development of commercial and non-profit organizations who have seen the unique characteristics of the city in the form of his name Myshkin and good location close to the tourist routes it possible to form a unique local market where all directly or indirectly devoted to the subject mice.

This example also illustrates that the development of local markets is very important socio-economic and

institutional environment. If one of the parties concerned is the local population (Belyaev, 2008), it defines satisfaction with the quality of life of residents in the area. Thus, the retention of the local population from migration to other places and even more to attract residents to itself from other regions will not be any efficient and effective if the condition of the housing stock of the territory will not be maintained in proper condition. And for this it is necessary to ensure the effective functioning of municipal services. It is also important to ensure the area schools, kindergartens, hospitals, medical assistant's point and the like, it is very important question of their comfortable accommodation in the territory.

This is a very sensitive issue. Sometimes authorities, acting within the framework of approved activities have to make unpopular decisions because of economic arguments. There are cases of resistance of the local population reduction programs of social facilities. In particular at the end of 2012, one of the small settlements of the Yaroslavl region, pregnant women occupied a small local hospital with a demand not to close it because of the inefficiency of operation. Naturally this has a negative effect on the level of satisfaction of residents and reduces the potential for reproduction of the population of the territory.

There are also many other factors and circumstances that determine the development of local markets and supporting reproductive processes at an acceptable level.

About the role of the regional government in the implementation of marketing activities: Of course that the above-mentioned two parts of the territory regional reproduction and development of local markets should be properly guided and corrected by the appropriate target and planned basis (Mishchenko and Kukarskaya, 2011). Enterprise structure should be guided by forecasts of conditions of local markets and justify their decisions in view of its dynamics (Belyaev, 2010) and local authorities must be based on appropriate plans for socio-economic development.

In the Russian Federation, there are many levels of long-term economic planning, defining a certain framework and direction to the regional authorities. Some of them are: the strategy of socio-economic development of the Russian Federation as a whole the strategy of socio-economic development of macro-regions, state programs and schemes of territorial planning of socio-economic development of regions of the Russian Federation, etc. It is obvious that all of them should be taken into account in their planning activities of development of unique characteristics of the region and act as a guide to action for their sustainable use. But since

in a market economy the possibility of local authorities in the activities of economic entities is limited, the priority becomes systematic information and promotion of the activities of regional business structures (Bocharov *et al.*, 2015). Independent search of new opportunities for many producers transformed into a random process as for targeted marketing efforts have neither the knowledge nor the means.

It is necessary to ensure the appropriate and organizational-administrative mechanism for the implementation of marketing programs which would include coordination component as well as legal support from the current government and business structures.

With regard to the Altai Krai (Russian Federation) should be noted a large and long-term work being done by the Administration and personally governor. Already become a recognizable brand "Altai for tourists": tourists from different countries and regions every year come to the region to get an impression of the amazing nature of the Altai Mountains and salt lakes Kulunda steppe as well as improve their health at the resort Belokurikha. Successfully promoting traditional Altai food: honey, cheese, dairy products, products of the milling industry. Consistently made attempts to attract additional attention to the region through the program "Altai Ob," "Little Homeland", etc. Such activity is a response from the entrepreneurs. Manufacturers interested as possible in a more intensive promotion of their products and services and we are ready to inform about their products and services. Obviously, this has a positive effect on the economics of the Altai businessmen and increases the opportunities for the reproduction of their work.

CONCLUSION

Based on the above, we can conclude that the basic foundation of any territory-large and small is a process of regional expanded reproduction, affecting the development of local enterprises as well as social, cultural and other conditions of people in the area. However, the regional expanded reproduction is in principle impossible without functioning and development of local markets

which is implemented in the territory of manufactured product. Mediate-third-force, capable to set in motion the process of expanded reproduction of regional and local markets which are the economic basis of reproduction in local territorial entities, should be called marketing territories. This marketing areas as research methodology the unique characteristics of territorial units, their development and infrastructure support to attract the attention of interested parties, able to ensure a flow of funds into the territory can be combined into a single functional interaction and local businesses and local markets. And that a functional whole is nothing but as a regional reproduction.

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