

# Sustainable Development Strategy of Enterprises in International Markets: Opportunities and Challenges

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## ABSTRACT:

A sustainable development strategy for businesses in international markets is crucial for achieving success in the globalized world. Scholars and practitioners emphasize that companies must pay attention to the economic, social, and environmental aspects of sustainable development. This implies the importance of developing strategies that help ensure economic profitability, maintain relationships with stakeholders, and reduce negative impacts on the environment.

The experts' attention is focused on the performance of Ukrainian companies in international markets in the period from 2022 to 2024, during the full-scale aggression against Ukraine. Due to the significant obstacles and barriers that currently exist, these companies need support for sustainable development in international markets.

In our research, we have developed new strategies to ensure the sustainable development of Ukrainian enterprises. These approaches cover various areas of activity, including the following aspects: establishing crisis communication with customers and stakeholders, who are provided with important information about the market situation and the company's actions; expanding international marketing by searching for new markets for products and services to reduce dependence on specific markets and risks; increasing sales through intensified marketing activities, market analysis and search for new opportunities for sales growth; building a positive image of the company through information and communication activities; ensuring competitiveness in the international market by improving goods and services.

The study segmented the markets of grain importers and identified Segment A, which does not require financial investments in its development. This segment consists of the markets of Spain, China, and Romania, where grain importers in 2023 were characterized by significant purchases and successful market operations.

Segment B includes the markets of Egypt, Turkey, Italy, the Netherlands, Poland, Hungary, Portugal, Bangladesh, Israel, Germany, Lebanon, Tunisia, and Indonesia, where investments are needed to develop the promotion of goods and services, in particular, to improve marketing strategies, build partnerships with local companies and organizations, and implement innovative production technologies.

Segment C included a set of markets that were assessed by several indicators, and eight international markets were identified as potential import partners: Japan, Korea, Vietnam, Algeria, Morocco, Malaysia, the United Kingdom, and Thailand. In assessing the attractiveness of new international

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markets, it was found that the markets of Korea, Malaysia, and the United Kingdom are the most suitable for Ukrainian enterprises. In this regard, we have developed recommendations on the strategy of marketing international business diversification of Ukrainian companies in these markets. If these recommendations are followed and a strategic approach to international diversification is applied, Ukrainian companies can successfully expand their business presence in South Korea, Malaysia, and the United Kingdom.

*Keywords: international diversification, sustainable development strategy, sales volumes, information and communication activities, potential import partners, attractiveness of new international markets, market convergence.*

## 1. Introduction

The topic of sustainable development strategies for enterprises in international markets is extremely relevant in the modern world. Due to the growing attention to the social responsibility of business and the increasing demand of consumers for sustainability and environmental friendliness of products, companies are increasingly paying attention to the study and implementation of sustainable development strategies. At the same time, given the global nature of international markets, the implementation of such strategies is becoming essential for the competitiveness and success of businesses and encourages companies to look for new ways and opportunities for sustainable development. The globalization process also means that businesses operating in international markets must take into account the social, environmental, and economic aspects of sustainable development to ensure their long-term success.

The researchers' attention is focused on the performance of Ukrainian enterprises in international markets in the period of 2022-2024 during the full-scale invasion of the aggressor into the territory of Ukraine. Due to the numerous obstacles and barriers that currently exist, these enterprises need support for sustainable development in international markets. In the current context, Ukrainian enterprises need to diversify markets, develop not only international but also domestic markets, which will avoid dependence on one industry; and explore new areas, as this will open up new opportunities in other market segments and help reduce sensitivity to military and political turbulence; establish strategic partnerships that will allow cooperation with other enterprises or organizations that can provide additional support in the face of military threats, reduce costs and improve business efficiency.

War conditions pose significant challenges for businesses, such as the inaccessibility of certain regions, increased risk of loss of goods or services, and a general decline in demand for products. In such circumstances, it is important to have flexible strategies that will allow the company to adapt to changes in the market quickly and efficiently. It is also important to have a clear crisis management plan that will help reduce potential losses and preserve the company's business reputation. Companies can help ensure sustainable development in international markets by studying the needs of their target audience, developing an effective marketing strategy, creating a unique product, promoting products or services, analyzing competitors, and responding to changes in the global business environment. The development of a marketing strategy will help Ukrainian

companies diversify their markets, increase sales, improve their reputation, and make them internationally competitive, which will contribute to their sustainable development.

The purpose of this study is to develop strategies that will help Ukrainian companies successfully overcome the difficulties of the war expand their presence in the international market and restore sustainable development.

To achieve the research goal, it is important to develop new approaches to ensure the sustainable development of Ukrainian enterprises that will cover various areas of development: creating crisis communication with customers and stakeholders, providing them with important information about the market situation and the company's actions; international marketing diversification, such as the search for new markets for products and services, which will reduce dependence on certain markets and risks; increasing sales through intensified marketing activities, market research and analysis, and search for new opportunities to increase sales; creating a positive image of the company through information and communication activities; ensuring competitiveness in the international market, improving goods and services.

## 2. Theoretical Background

The strategy of sustainable development of enterprises in international markets is very important for ensuring success in the globalization environment. Scientists and practitioners note that enterprises should pay attention to the economic, social, and environmental aspects of sustainable development. This means adopting strategies that will ensure economic profitability, maintain stakeholder relationships, and reduce negative environmental impact.

Summarizing the scientific views of Ukrainian and world scholars in the field of sustainable development, it is determined that the majority of scientific works are devoted to the issues of ensuring sustainable development of enterprises in conditions of instability, the key role which is assigned to the development of a survival strategy, implementation of measures aimed at reducing risks and creation of new mechanisms and technologies that can help enterprises withstand challenges.

Business representatives, having already experienced survival during the war, talk about the biggest problems for Ukrainian businesses, such as significant loss of sales markets, expensive loans, mobilization of employees, and energy shortages. Most companies gradually adapted to the current conditions and continued to develop in the first year of the war. The second year of the war showed different results for the economic activity of Ukrainian enterprises, especially in international markets, because not all companies were ready for changes, and relocated enterprises, having moved to safe regions, continued to cope with the challenges of the current moment. The war has significantly affected the demand for various products. Part of Ukraine's territory is under temporary occupation, and some are in close proximity to the fighting, which harms business activity. In addition, many Ukrainians were forced to move to safer regions of Ukraine or abroad, which also reduced sales of goods and services.

Summarizing the scientific views of experts and practical cases of Ukrainian enterprises, we can conclude how to protect Ukrainian businesses from a decrease in economic profitability. One possible solution is international marketing diversification as

a strategy to expand the geography of exports of domestic goods and services. This will allow enterprises to face challenges and ensure sustainable development in international markets.

### 3. Results of the Study

It should be noted that the diversification of trade and economic relations arose with the emergence of international activity. Diversification of trade relations is an important topic that has been discussed in many economic and trade studies. One of the most famous examples is the article “Diversification in Trade and its Implications for the International Trading System” written by Carl Hamilton. This topic is also discussed in the article “The Importance of Diversification in International Trade” published by the Economic Perspectives journal.

The concept of business diversification is an important strategy of modern business, which consists of expanding the company's industries to reduce risk and ensure sustainable development in international markets. In this regard, the definition of the essence of business diversification requires adequate attention. The analysis of definitions allowed us to identify three main approaches to the definition of this concept (Figure 1) (2017).

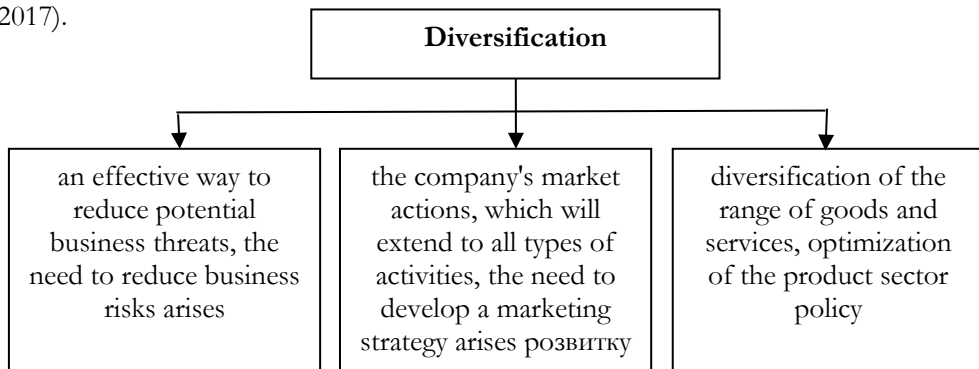


Figure 1. Main approaches to the definition of “diversification”

Source: developed by the author based on (2017)

For a better understanding and determination of the prospects for further development of marketing diversification in the context of creating new offers by enterprises in foreign markets, it is necessary to highlight the most accurate definition of diversification as a process of development of enterprise activities related to penetration into new areas of activity, development of new industries, expansion of the product range, which includes not only diversification of product groups but also the spread of entrepreneurial activity to new markets that are not related to the core business (2017).

Diversification of international marketing activities means the process of expanding the use of innovative tools, mechanisms, methods, and models in marketing activities to achieve sustainable development goals by identifying optimal sales channels and sales volumes in international markets.

Expanding trade relations by offering new products in new international markets, attracting more customers, researching the market and consumer needs, creating your own

sales system, selling goods, and providing after-sales service - all this is an international marketing strategy for diversification.

From this, we can conclude that diversification should be viewed in an expanded way by the realities of economic development as a strategy of marketing activities of an organization, which involves the process of enterprises entering new international markets to create new offers on them.

Confirming that in times of war, when the military situation limits the possibilities of Ukrainian business, some companies are opening up new opportunities that allow them to increase the volume of exports of goods and services. As logistics complicate the export of products traditionally transported by sea, some are finding it possible to use other customs points and delivery routes.

To create opportunities to use new delivery routes on the Ukrainian-Romanian border, the construction of a border transshipment terminal has begun, where cargo (including grain) can easily “flow” from domestic trains to European ones, and then these goods are sent to a major port. The establishment of a transshipment terminal would provide Ukrainian businesses with a valuable opportunity to expand their reach into the European markets, which continue to represent a pivotal area of business activity for them.

This indicates that Ukrainian companies are pursuing strategies to expand their customer base and enhance revenue by exploring new international markets. This strategy enables companies to mitigate the risks associated with market dependence and to enhance their competitiveness on the international stage, while also ensuring sustainable development in challenging circumstances. In the context of the "new economy", the United States has presented a series of practical cases that exemplify these strategic processes, which have been designated as international marketing diversification.

A fundamental premise of a marketing strategy for the diversification of business activities is the planning of a company's exit from the domestic market and the selection of the optimal method for penetration into international markets. In the contemporary global business environment, there are three principal avenues for companies to pursue to gain a foothold in foreign markets. These include the establishment of a dedicated distribution network within the target international markets, the utilization of existing distribution channels abroad, and the creation of a localized production capacity through the formation of joint ventures or the establishment of subsidiaries. In light of the varying degrees of international diversification of enterprises across different countries, we contend that the issue addressed in this study is pertinent to a diverse range of contexts. Nevertheless, it is now crucial for domestic market actors and companies to pursue diversification strategies across a range of sectors. As evidenced by statistical data, Ukraine's trade relations are closely intertwined with those of the European Union, and the commodity structure of exports is more complex. Therefore, Ukraine needs to diversify its export structure, which involves a gradual transition from raw material exports to medium and high-tech exports. In defining the concept of “international business diversification”, it is necessary to distinguish between three main approaches: diversification as a means of reducing risk, diversification as a marketing strategy, and diversification as a means of creating added value in the domestic market through the diversification of goods.

An analysis of Ukraine's exports is a crucial element in the comprehension of Ukraine's foreign economic situation. This will permit an evaluation of the competitive position of Ukrainian goods in international markets and the formulation of an international marketing strategy for business diversification, to ensure the sustainable development of enterprises in international markets. The objective of this analysis is to assist Ukrainian companies in the planning of their activities. The following analysis will examine Ukraine's exports from 2019 to 2023, as presented in Table 1.

**Table 1:** Dynamics of Ukraine's exports, TOP-5 export leaders, 2019-2023, USD million\*

Number/ Name of the product group TOP-5	Exports, USD million					Deviation		Share in the total volume, %		
	2019	2020	2021	2022	2023	2022/ 2021	2023/ 2022	2021	2022	2023
Total exports of Ukraine	50054,6	49191,8	68072,3	44135,6	36182,9	-54,2	-21,9	100	100	100
10 grain crops	9633,3	9410,7	12343,8	9171	8306,5	-34,6	-10,4	18,13	20,78	22,96
15 fats and oils of animal or vegetable origin	4732,2	5746,9	7037,2	5983,6	5649,1	-17,6	-5,9	10,34	13,56	15,61
12 oil seeds and oleaginous fruits	2563,2	1842,4	2435,1	3780,9	2819,4	35,6	-34,1	3,58	8,57	7,79
72 ferrous metals	8736,1	7690,6	13950,1	4559,6	2647,7	-205,9	-72,2	20,49	10,33	7,32
26 ores, slag and ash	3590,2	4420,7	7119,6	3084,1	1870	-130,9	-64,9	10,46	6,99	5,17
Other product groups	20799,6	20080,5	25186,5	17556,4	14890,2	-43,5	-17,9	37,00	39,78	41,15

\*Data exclude the territories which are temporarily occupied by the Russian Federation and part of territories where the military actions are/were conducted.

The fact that the five commodity groups under study, namely “10 Grain crops”, “15 Fats and oils of animal or vegetable origin”, “12 Seeds and fruits of oilseeds”, “72 Ferrous metals” and “26 Ores, slag and ash”, account for more than 50% of Ukraine's exports, suggests that there is a considerable concentration of production and exports in these areas. This situation can be viewed as both positive and negative. On the one hand, these commodity groups are in high demand on the global market, generating significant

revenues for the country. However, on the other hand, this increased demand heightens the risk of economic vulnerability in the event of fluctuations in demand for these goods.

The export commodity group with the highest level of exports is that of “10 grain crops”. In the 2019-2020 period, the share of Ukraine's exports of this commodity in total exports was approximately 20%. In the year 2021, the exports of the “10 grain crops” product group exhibited a 2% decline, which was attributable to the repercussions of the coronavirus crisis on the production and transportation of grain crops from Ukraine. During this period, exports of the “72 ferrous metals” product group increased from 15 to 20%. This may be attributed to an uptick in demand for metal products, potentially driven by infrastructure upgrades or other construction activities that took place during the pandemic in international markets.

During the war, Ukraine experienced a considerable decline in exports, largely attributable to the imposition of trade restrictions, the disruption of supply chains, and an elevated level of risk. In 2022, Ukraine's exports exhibited a 54% decline compared to the previous year, a trend that persisted in the second year of the war, with a 22% reduction observed in 2023 compared to 2022 (Figure 2).

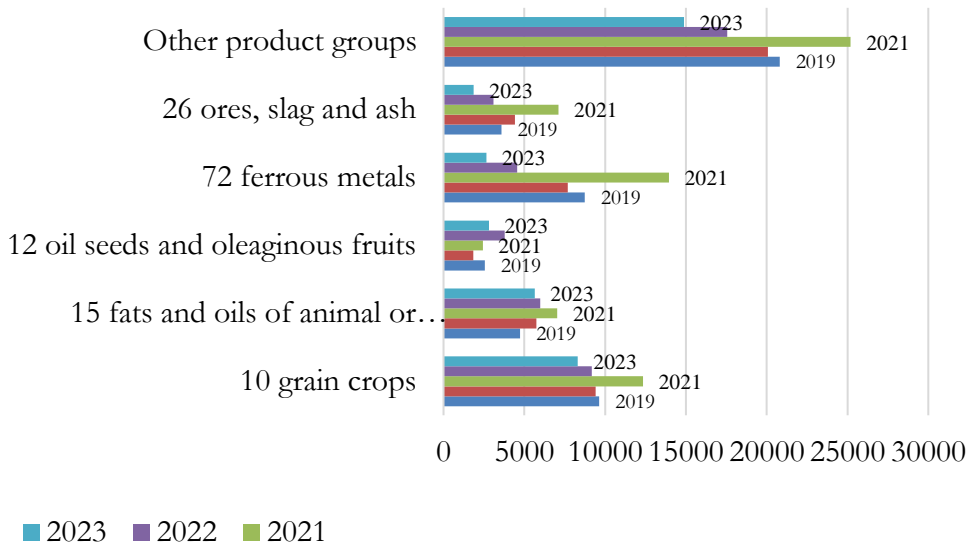


Figure 2. Dynamics of Ukraine's exports by TOP-5 product groups, 2019-21-23, USD million

In terms of commodity groups among the top five export leaders from Ukraine, exports of “72 ferrous metals” and “26 ores, slag, and ash” exhibited the most significant decline in 2022-2023, with a reduction of 206% and 131%, respectively, in 2022 and 72% and 65%, in 2023. Other commodity groups among the top exporters from Ukraine showed a slight decline in exports.

In the 2022-2023 period, the principal export commodity groups of Ukraine were “10 grain crops” and “15 fats and oils of animal or vegetable origin” (Figure 3).

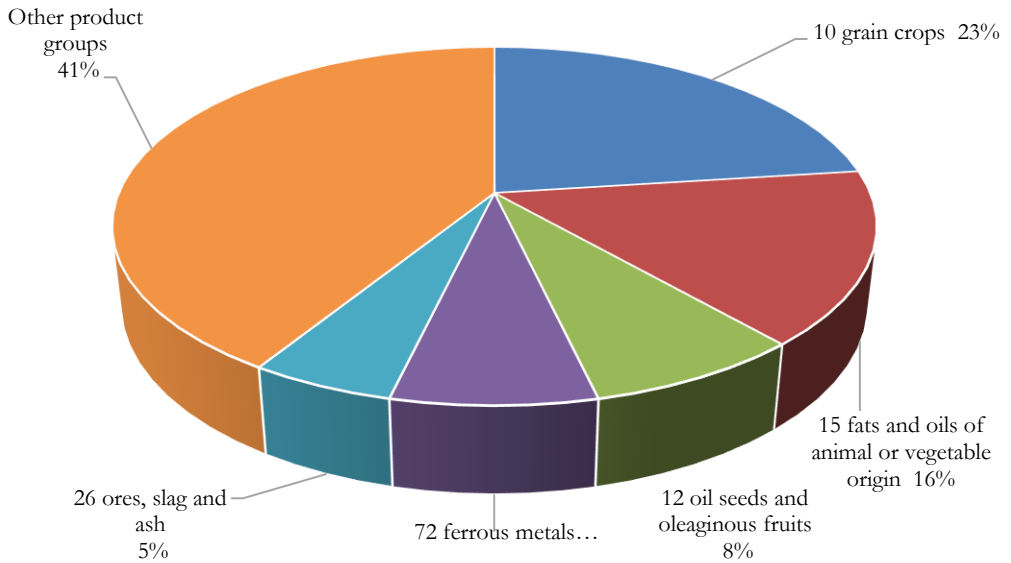


Figure 3. Structure of Ukraine's exports by product group of the top 5 leaders, %, 2023

In the 2022-2023 period, Ukrainian grain crops and fats and oils of animal or vegetable origin constituted the leading export commodity groups, representing 23% and 16% of the total volume, respectively. Other commodity groups that are among the top exporters account for up to 10% of the total. It is thus recommended that the potential for increasing sales of product groups “10 grain crops” and 15 “fats and oils of animal or vegetable origin” in partner markets be considered, in addition to the assessment of new international markets for the implementation of international marketing strategies in the business of Ukrainian enterprises.

To balance the grain market and determine the marketing attractiveness of new foreign markets, it is necessary to conduct market research on the level of self-sufficiency of the market with products and the existing surplus of goods on the market (Table 2).

**Table 2:** Assessment of the level of self-sufficiency in the commodity group “10 grain crops” in the Ukrainian market, 2019-2023

Indicator	2019	2020	2021	2022	2023
Production volume, million tonnes	75,1	65,4	85,7	53,9	58,4
Consumption volume, million tonnes	5,5	5,3	5,1	10,5	8,5
Level of self-sufficiency (ratio of production to consumption), %	1365,5	1234,0	1680,0	513,3	687,0

\*Data exclude the territories which are temporarily occupied by the russian federation and part of territories where the military actions are/were conducted.

Statistical data for the period under review show that Ukraine produced more than enough grain crops to meet the consumption rate of domestic consumers. This is important for the grain market, as excess production can affect prices and demand on the



market, lead to an increase in stocks and lower prices for products, and allow for exporting surpluses to international markets to maintain balance on the domestic market.

In times of war, the yield of all agricultural commodities greatly exceeds the domestic consumption requirements. In 2023, farmers harvested 58.4 million tonnes of grain crops. This was due to high grain yields (up to 55 centners per hectare). According to experts, in 2023, Ukraine's grain production was 10% higher than in 2022. In August 2024, farmers harvested over 32 million tonnes of new harvest. In total, 28.59 million tonnes of grains and 3.42 million tonnes of oilseeds were harvested, including 21.74 million tonnes of wheat from an area of 4,858.9 thousand hectares; 5.5 million tonnes of barley from 1,399.2 thousand hectares; and 458.5 thousand tonnes of peas from 207.6 thousand hectares. Nevertheless, the harvesting process is still underway, rendering a comparison of the 2023 and 2024 figures premature.

The objective of this analysis is to examine the dynamics of Ukraine's export operations for the period 2019-2023, focusing on the commodity group “10 Grain crops” and its constituent commodity subgroups (Table 3).

**Table 3:** Dynamics of Ukraine's exports by commodity group and its subgroups “10 Grain crops”, 2019-2023, USD million

Product subgroup name	2019	2020	2021	2022	2023	Absolute deviation +/-		
						2021 / 2020	2022/ 2021	2023/ 2022
Total by product group	9633,3	9410,7	12343,8	9170,8	8306,5	23,76	-34,60	-10,41
1001 Wheat and a mixture of wheat and rye (meslin)	3658,4	3595,5	5074,8	2678,0	2941,0	29,15	-89,50	8,94
1002 Rye	3,8	2,5	28,1	11,6	1,4	91,10	-142,24	-728,57
1003 Barley	710,0	877,4	1275,3	447,0	362,4	31,20	-185,30	-23,34
1004 Oat	2,3	3,3	4,0	1,7	0,9	17,50	-135,29	-88,89
1005 Corn	5218,3	4877,0	5892,7	5992,4	4966,2	17,24	1,66	-20,66
1006 Rice	4,5	4,0	6,3	0,9	0,1	36,51	-600,00	-800,00
1007 Grain sorghum	19,6	21,0	14,0	17,2	12,6	-50,00	18,60	-36,51
1008 Buckwheat, millet and canary grass seeds; other cereals	16,3	30,0	48,5	21,7	21,8	38,14	-123,50	0,46

*\*Data exclude the territories which are temporarily occupied by the russian federation and part of territories where the military actions are/ were conducted.*

*Source: TRADE MAP, State Statistics Service of Ukraine*

The evolution of exports from Ukraine of the commodity group “10 Grain crops” can be observed in Figure 4.

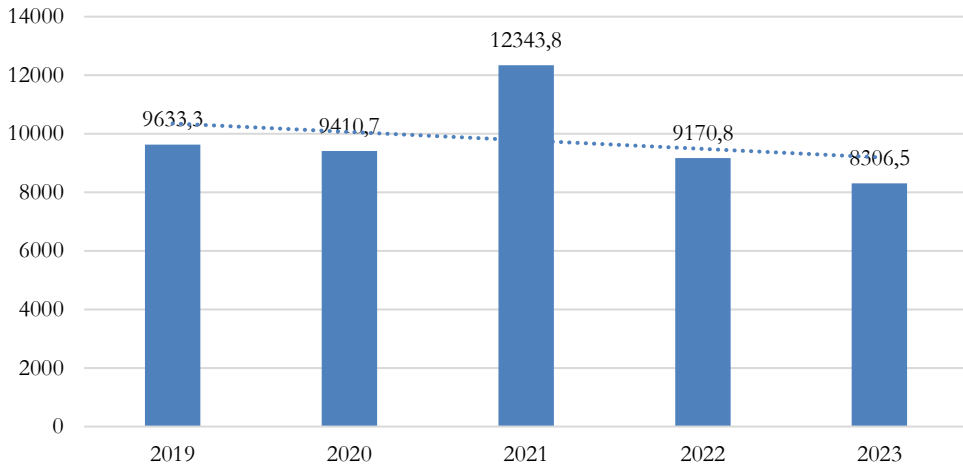


Figure 4. Dynamics of export volumes from Ukraine of the commodity group “10 Grain crops”, 2019-2023, mln USD

Source: TRADE MAP, State Statistics Service of Ukraine

Thus, the value of grain exports in 2022 decreased by 34.6% compared to 2021, and in 2023 by another 10.4% compared to 2022. Despite this, the results of these wartime conditions are positive, and Ukraine remains the world's leading grain exporter.

A study of Ukraine's export operations in the separate commodity group “10 grain crops” shows the following changes: In 2020, compared to 2019, sales of grain products on international markets decreased, while in 2021, there was a significant increase in Ukrainian grain exports on foreign markets, by almost USD 3 million. Since 2022, there has been a decline in Ukraine's exports of the “10 grain crops” commodity group due to the military invasion of Ukraine by Russia. This has resulted in disruption to the domestic agricultural supply chain and the closure of Ukrainian seaports, which account for approximately 99% of the country's total grain exports. In peacetime, Ukrainian seaports handled up to 8 million tonnes of grain per month. The country's deepwater and small ports, except those situated in the Danube region, remain inaccessible today. This situation not only impedes economic activity but also has an adverse impact on food security in several countries.

The results of 2023 indicate that three commodity subgroups have become the leading export products of Ukraine: “1005 Corn” – USD 4966.2 million, “1001 Wheat and a mixture of wheat and rye (meslin)” – USD 2941 million, “1003 Barley” – USD 362.4 million. It is worth noting that over the past five years, these commodity groups have been in the top 3 in terms of sales in international markets.

A study of the dynamics of Ukraine's exports by individual subgroups of grain crops (Table 3) shows the following changes: in 2020, compared to 2019, exports of barley, oats, buckwheat, and grain sorghum increased; in 2021, the largest increase in exports occurred in all subgroups of grain crops, except for “1007 Grain Sorghum”, despite the spread of the COVID-19 pandemic and the introduction of restrictive quarantine measures by Ukraine and other countries. However, the war in 2022 hurt exports due to

the blocking of grain exports through the Black Sea. Only corn exports increased significantly in 2022, and wheat exports increased significantly in 2023.

It is also crucial to acknowledge that the export of raw materials, such as grain, can have both beneficial and detrimental consequences for the Ukrainian market. While the export of raw materials may result in financial gain, it can also render the market susceptible to price volatility in global markets.

Furthermore, it is important to create added value in the domestic market by processing corn, wheat, and barley into finished products. This will allow Ukrainian enterprises to diversify their production and implement an international diversification strategy in their business activities. In this way, they will be able to meet the demand for finished goods in international markets and formulate their sustainable development strategy. Obviously, the production of such goods can allow Ukrainian enterprises to take a higher position in international markets and generate more profit.

To study the factors that influence the development of sustainable strategies of companies in the grain industry in international markets and the possibility of entering new international markets, it is necessary to analyze changes in the commodity structure of world exports of three groups of goods: ‘1005 Corn’, ‘1001 Wheat and a mixture of wheat and rye (meslin)’, ‘1003 Barley’ for the period from 2019 to 2023 (Table 4).

**Table 4.** Dynamics of world exports of commodity subgroups: ‘1005 Corn’, ‘1001 Wheat and a mixture of wheat and rye (meslin)’, ‘1003 Barley’, TOP-10, 2019-2023, thousand USD

Exporters	Export value, USD million.					An absolute deviation +/-	
	2019	2020	2021	2022	2023	2022/2021	2023/2022
“1005 Corn”							
The whole world	35837,9	36701,0	51899,9	62857,9	53068,5	17,4	-18,4
United States of America	8061,8	9575,5	19020,6	19031,6	13683,2	0,1	-39,1
Brazil	7421,4	5853,0	4188,8	12264,1	13626,6	65,8	10,0
Argentina	5948,6	6046,7	9064,2	8605,9	5675,6	-5,3	-51,6
<b>Ukraine</b>	5218,2	4877,0	5892,7	5992,4	4966,3	1,7	-20,7
France	1371,8	1721,6	1937,4	2382,2	2006,9	18,7	-18,7
Romania	1390,7	1225,8	1936,1	1994,7	1680,9	2,9	-18,7
Poland	240,5	322,2	633,8	1299,7	1300,9	51,2	0,1
South Africa	281,1	564,6	809,3	1212,2	1209,5	33,2	-0,2
India	143,9	389,3	935,6	1118,3	703,1	16,3	-59,1
Paraguay	399,8	322,3	409,1	1088,7	750,7	62,4	-45,0
Other markets	5360,1	5803,0	7072,3	7868,1	7464,8	10,1	-5,4
“1001 Wheat and a mixture of wheat and rye (meslin)”							
The whole world	40378,1	44867,2	56835,9	68061,4	59511,9	16,5	-14,4
Australia	2514,4	2712,7	7247,1	10183,9	9394,9	28,8	-8,4
United States of America	6278,6	6322,6	7263,5	8523,3	6133,4	14,8	-39,0
Canada	5384,7	6304,2	6642,9	7951,7	8836,5	16,5	10,0
France	4355,4	4542,9	4548,6	7401,5	3978,8	38,5	-86,0
Argentina	2295,5	2029,5	2973,0	3120,2	871,8	4,7	-257,9
<b>Ukraine</b>	3658,4	3595,5	5074,8	2678,1	2940,9	-89,5	8,9

Germany	1254,5	2103,7	1993,2	2209,6	1906,6	9,8	-15,9
India	54,0	243,1	1723,4	2130,7	48,1	19,1	-4329,7
Romania	1272,2	948,8	1820,1	2099,4	2226,9	13,3	5,7
Kazakhstan	1003,2	1137,1	1425,6	1920,4	1852,7	25,8	-3,7
Other markets	12307,2	14927,1	16123,7	19842,6	21321,3	18,7	6,9
“1003 Barley”							
The whole world	6856,3	7417,4	10832,9	10316,9	10514,9	-5,0	1,9
Australia	726,7	913,3	2032,1	2350,8	2299,7	13,6	-2,2
France	1514,6	1363,8	1666,3	1839,9	2061,9	9,4	10,8
Germany	310,8	481,3	747,4	958,8	925,8	22,0	-3,6
Argentina	585,8	447,0	607,3	873,2	723,9	30,5	-20,6
Canada	522,6	599,2	924,4	808,9	824,0	-14,3	1,8
Romania	207,1	243,6	500,9	451,5	514,7	-10,9	12,3
<b>Ukraine</b>	710,1	877,5	1275,4	447,0	362,4	-185,3	-23,3
United Kingdom	361,1	303,9	200,8	302,8	276,4	33,7	-9,6
Kazakhstan	299,5	176,2	165,0	216,0	264,0	23,6	18,2
Denmark	118	148	251	194	325	-28,9	40,3
Other markets	1499,8	1863,7	2462,7	1873,6	1936,7	-31,4	3,3

Source: TRADE MAP, State Statistics Service of Ukraine

In 2022, global corn exports increased by 17.4%, all the TOP-10 corn exporting markets showed an increase in this period, except for Argentina. In 2023, global grain production reached an all-time high. However, this was accompanied by a decline in corn yields and an 18.4% reduction in global exports. The largest decline in exports occurred in the markets of the United States of America – 39.1%, Argentina – 51.6%, India – 59.1%, Paraguay – 45%, and Ukraine – 20%.

In contrast to the overall growth of global wheat exports by 16.5% in 2022, Ukrainian wheat exports decreased by 89.5%, primarily due to the ongoing war in the country and logistical problems caused by the conflict war had a considerable impact on agricultural production and export activities, resulting in a notable decline in Ukrainian wheat exports. In addition, the conflict has affected the country's transport infrastructure, including ports, making it difficult to export goods such as wheat efficiently.

The 14.4% decline in global wheat exports in 2023 is indicative of a general decline in production and sales of this crop. India has experienced the most significant decline in exports. The markets of Argentina, France, and the United States of America recorded a decline in exports, which may be due to various factors, such as weather conditions, export restriction policies, and competition in the global market. At the same time, an 8.9% increase in wheat exports to Ukraine's market indicates positive trends in its agricultural sector and the resumption of exports from three Ukrainian ports on the Black Sea as part of the “Black Sea Grain Initiative”, launched with the participation of the UN, Turkey, and Russia, which in return demanded the lifting of some sanctions. Thanks to this agreement, from August 2022 to July 2023, Ukraine exported wheat to Africa, Asia, and Europe.

In 2022, global barley exports decreased by 5%, in 2023 they increased by 1.9%. The maximum decrease in barley exports among the top 10 markets was shown by the

Ukrainian market by 185.3% in 2023, down 23.3%. This is due to the reduction of barley purchases by the Chinese market by half of the contracted amount. The Chinese factor played a significant role here, as the Chinese market used to account for 55-56% of Ukraine's barley exports. Additionally, during the 2022-2023 period, The volume of Ukrainian barley exports to the Spanish, Romanian, and Turkish markets, which have been leading importers of this commodity, has declined.

In order to grow demand for grain crops globally, it is important to develop alternative markets for grain exports, including finding new partners for grain exports, diversifying production and sales, and developing other agricultural products, while global consumer trends towards healthier eating open up new opportunities in this area.

To implement a sustainable development strategy, Ukrainian enterprises need to focus on exploring new potential markets for exporting goods and services, attracting foreign partners and investors, and studying and adapting international marketing strategies to Ukrainian realities. We will research the markets and consumers of Ukraine's import partners' new international markets to understand their needs and identify the best sales channels for each market.

To study potential markets for importers, it is necessary to segment the markets, excluding those to which Ukraine already sells grain crops (Table 5).

By analyzing the activity of Ukrainian grain importing markets in 2023, we identified segment A, the export volume of the commodity group "10 Grain crops" in the markets which ranged from USD 1,422.8 - 1,042.6 million, and segment B, the export volume of the studied commodity group ranged from USD 666.0 - 100.0 million.

To achieve sustainable development, Ukrainian companies operating in the A-segment markets (Spain, China, Romania) must maintain their export share, fulfill all contractual obligations, and conduct regular studies of demand for grain products, competitor activity, the political situation, and other relevant factors. In the markets of Segment B (Egypt, Turkey, Italy, the Netherlands, Poland, Hungary, Portugal, Bangladesh, Israel, Germany, Lebanon, Tunisia, and Indonesia), which are importing partners, it is necessary to establish new business contacts to increase the market share of the "10 Grain crops" product group. For this purpose, it is important to systematically conduct market research to study competition, demand, and needs of import partners, and offer competitive conditions by providing attractive prices, quality products, and other appropriate conditions for engaging new partners. It is similarly crucial for segments A and B to sustain stable contact with existing partners and cultivate long-term relationships in order to enhance trust.

Segment C comprised the markets of the world's leading importers of the "10 Grain crops" commodity group, which were not included in segments A and B. These markets may be considered as new potential export destinations for Ukraine. In order to achieve this, a strategy of international marketing diversification of business activities should be implemented, to attract new import partners for cooperation.

The trade balance of the markets of Mexico, Japan, Korea, Vietnam, Algeria, Morocco, Belgium, Colombia, Malaysia, the UK, and Nigeria is negative, indicating that imports of goods in the "10 Grain Crops" group are dominated by exports. For Ukrainian companies planning to use these markets as new sales markets, it is important to constantly

monitor the situation in order to respond promptly to the introduction of import restrictions or exchange rate regulation by C markets.

**Table 5.** Segmentation of potential markets of importers-partners (segment C) in terms of imports of commodity subgroups “1005 Corn”, “1001 Wheat and a mixture of wheat and rye (meslin)”, assessment of their international activity, 2023, mln USD

Potential markets	Import volume by commodity group “10”	Partner's trade balance by commodity group “10”	Import volume “1005 Corn”	Average distance between supplying markets (km) “1005 Corn”	Import volume “1001 Wheat”	Average distance between supplying markets (km) “1001 Wheat”	Average distance between supplying markets (km) and the the Ukrainian market
Mexico	8586,8	-8131,3	5569,3	2 049	1436,3	2 519	10772
Japan	8149,3	-8079,6	4916,8	13 985	1934,7	9 447	8205,7
Korea	5548,0	-5510,4	3540,8	14 484	1673,8	8 805	7543
Vietnam	4798,0	-857,2	2573,3	14 065	1299,8	8 468	7892
USA	3588,1	19755,5	433,1	4 216	895,6	2 108	9456
Algeria	3146,1	-3145,7	1075,0	8 995	1882,2	4 241	3390
Morocco	2996,8	-2996,5	739,8	7 371	1911,2	3 285	4961,4
Belgium	2768,8	-2117,4	527,9	841	1051,4	603	2248,3
Colombia	2729,1	-2725,6	1864,8	4 164	625,7	5 116	10748
Malaysia	2529,0	-2477,4	1105,8	15 309	586,6	8 467	8243
Brazil	2362,9	12612,1	276,3	1 423	1292,2	4 046	10680
United Kingdom	2129,6	-1335,5	714,7	3 363	594,0	3 161	3166,5
Nigeria	2040,2	-2037,7	-	-	2038,7	6 766	8126,7
Thailand	2005,6	3221,1	459,1	3 363	1333,2	9 444	7420

*Source: TRADE MAP, State Statistics Service of Ukraine*

The evaluation of global indicators will facilitate the determination of the convergence of new international markets classified as Segment C. Some of them will include economic indicators of the market, indicators of political stability and risks, state of infrastructure development, tariffs and duties, level of competition, state of development of the banking system, degree of introduction of innovative technologies, level of economic freedom, etc. The analysis of these factors will assist in the identification of opportunities and risks present in new international markets, as part of the process of implementing an international marketing diversification strategy (Table 6).

**Table 6.** Analysis of the attractiveness of the business environment in Ukraine's international partner markets of segments B and C according to certain global indicators

Indicator / international market	Japan	Korea	Vietnam	Algeria	Morocco	Malaysia	United Kingdom	Thailand
GDP per capita, purchasing power parity, 2023. thousand USD	46268	50572	13696	15348	8782	33574	54126	21113
Inflation: percentage change in the consumer price index. 2023	3,3	3,6	3,3	9,4	6,1	2,5	6,8	1,2
Trade openness: exports plus imports as a percentage of GDP. 2018	36.61	78.99	164.66	52.44	77.25	130.4	64.54	120.84
Exports of goods and services as a percentage of GDP. 2023	-	44	-	25.17	43.95	68.42	32.17	65.45
Income tax, profit and capital gains. 2021	-	30.4	-	-	30.09	50.67	37.19	30.91
Carbon dioxide emissions, thousand tonnes. 2020	1014065	569682	355323	161563	66720	245139	308650	265479
Agricultural value added, billion USD. 2023	-	27.33	51.4	31.55	6.88	30.95	24.34	44.14
Economic freedom, overall index (0-100). 2023	69	74	62	43	58	67	70	61
Investment freedom index, 2023	60	60	40	30	65	60	80	55
Economic globalisation index, 2021	67	64	57	34	63	74	80	68

Source: compiled by the author for (*Global Economy, Trade Statistics for the Development of International Business*)

When choosing global indicators for assessing the attractiveness of the business environment in international partner markets, the list can be adjusted to reflect the needs and expectations of the target audience, the specifics of a particular market, and business strategy. However, the inclusion of global indicators, such as economic stability, corruption, the legal environment, and the availability of financial resources, can provide a basis for assessing the attractiveness of the business environment in international partner markets.

Furthermore, a group of 10 experts evaluated the attractiveness of international markets (Table 7) on a 5-point scale, with the minimum and maximum values of the indicator in the global market serving as the basis for this assessment. The objective was to ascertain which foreign markets achieved the highest scores in the ranking of the international markets studied (Table 7).

**Table 7.** Assessment of the attractiveness of new international markets for Ukrainian enterprises in order to implement the international marketing diversification strategy

Indicator / international market	Japan	Korea	Vietnam	Algeria	Morocco	Malaysia	United Kingdom	Thailand
GDP per capita, purchasing power parity, 2023. thousand USD	3	3	2	2	1	3	4	3
Inflation: percentage change in the consumer price index. 2023	2	2	2	3	2	1	2	1
Trade openness: exports plus imports as a percentage of GDP. 2018	2	2	4	2	2	3	2	3
Exports of goods and services as a percentage of GDP. 2023	2	3	2	2	3	4	2	4
Income tax, profit and capital gains. 2021	4	4	4	4	4	4	4	4
Carbon dioxide emissions, thousand tonnes. 2020	1	2	2	2	4	1	1	1
Agricultural value added, billion USD. 2023	-	3	3	3	3	3	3	3
Economic freedom, overall index (0-100). 2023	4	4	4	2	3	4	4	3
Investment freedom index, 2023	4	4	2	2	4	4	5	3
Economic globalisation index, 2021	4	4	3	2	3	4	4	4
Total:	26	31	28	24	29	31	31	29

The study analyzed the markets of Japan, Korea, Vietnam, Algeria, Morocco, Malaysia, the UK, and Thailand to compare various global indicators. Through expert assessment, points were calculated for each of these potential markets for Ukrainian entrepreneurs, which made it possible to determine which of them is the most attractive for the implementation of marketing strategies of international business diversification.

The markets of Korea, Malaysia, and the United Kingdom showed the highest score of 31 points. This indicates the convergence of these markets and the readiness of the conditions for Ukrainian companies to successfully enter them and intensify their international activities.

Following an assessment of the attractiveness of new international markets for Ukrainian enterprises and the identification of potentially interesting markets for their development, it is recommended that a systematic monitoring of the implementation of a



sustainable development strategy in business be undertaken. In order to strengthen its presence in the C-segment markets of Korea, Malaysia, and the UK, the Group should pursue a strategy of international marketing diversification. It is important to follow the principles of international marketing research, which provides an in-depth study of the selected markets, their characteristics, competitors, and demand, which will help Ukrainian enterprises improve their strategies and adapt them to the conditions of new markets.

#### 4. Conclusion

A sustainable development strategy is very important even in times of war when business conditions can become extremely difficult. Exploring the possibilities of Ukrainian enterprises in such conditions can be key to their successful development and survival. The main aspects to consider in a company's wartime strategy include diversifying products and services, finding new markets, reducing costs, and improving production efficiency. It is also crucial to consider opportunities to enter new markets as a way to increase profits and business risk. Analyzing the company's strengths and weaknesses, identifying opportunities and threats in the internal and external environment, and developing an effective action plan will help the company find the best way to succeed in the face of military conflict.

The study segmented the markets of grain importers and identified segment A, which does not require investment in its development. Segment A comprises the grain import markets of Spain, China, and Romania. These countries have demonstrated a substantial level of purchasing activity in 2023 and are operating effectively within the market. No further investment in development is required, as the venture is already operating successfully and there is a stable demand for grain.

Segment B includes the markets of Egypt, Turkey, Italy, the Netherlands, Poland, Hungary, Portugal, Bangladesh, Israel, Germany, Lebanon, Tunisia, and Indonesia, where we need to establish new business contacts to increase the market share of the “10 Grain Crops” product group. In order to achieve this objective, it is essential to invest in the development and promotion of goods and services in these markets. This should include improvements to marketing strategies, the analysis of consumer demands, the formation of partnerships with local companies and organizations, and the introduction of innovative production technologies. It is also important to conduct regular market research in these countries, adapt products to their requirements and consumer preferences, and comply with local quality regulations and standards.

Segment C included a large number of markets that were assessed by several indicators, and eight international markets were identified as potential import partners: Japan, Korea, Vietnam, Algeria, Morocco, Malaysia, the UK, and Thailand. When assessing the attractiveness of new international markets, it was found that the markets of Korea, Malaysia, and the United Kingdom have the highest similarity to the operating conditions for Ukrainian enterprises. Therefore, recommendations have been developed on the strategy of marketing international diversification of business activities of Ukrainian companies in these markets. A few of them are listed below: before entering these markets, it is important to conduct detailed market research to understand consumer behavior, the competitive environment, and the regulatory environment in each country; establish

partnerships with local distributors, suppliers, or business partners to facilitate market entry and expansion; constantly monitor market trends and competitors' activities to adjust the marketing strategy accordingly. By following the recommendations and applying a strategic approach to international diversification, Ukrainian companies can effectively expand their business presence in South Korea, Malaysia, and the United Kingdom.

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