

MARKETING STRATEGIES FOR RURAL TERRITORIES DEVELOPMENT IN UKRAINE IN THE CONTEXT OF DECENTRALIZATION REFORM

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Abstract

The goal of the paper was the analysis of marketing strategies for rural territories development in Ukraine in the context of the decentralization reform that started in 2014. A theoretical and methodological approach was made based on general scientific methods of cognition in relation to the problems of rural development (empirical, analytical, comparative and descriptive methods) as well as a systemic and structural-functional analysis in connection with the legislation in force regarding the new administrative-territorial structure of Ukraine, which was formed as a result of the decentralization reform. The success of decentralization practices is manifested, in particular, in the fact that a strong regional identity is being formed, which is able to strengthen the national identity. In the formation of marketing strategies for the development of rural areas, the concept of territory branding is important, as the territory brand contributes to a significant strengthening of regional identity. Under the condition of effective branding of rural areas, some areas may become more interesting in terms of investment attraction, various business projects development, tourist infrastructure formation and so on. In addition, territorial branding often leads to an increase in self-esteem of the population of certain rural areas, which contributes to the reduction of conflict potential at the local level. The initiators of the formation of marketing strategies for rural development should be local authorities. It is stated that successful branding of territories is able to act as a determinant of effective economic development of rural areas.

Key words: rural areas, marketing strategies, decentralization, power, Ukraine

INTRODUCTION

Ukraine is a post-communist country with a population of about 42 million people, which political system during the Soviet era was characterized by an administrative-command style of governance. In the process of power decentralization reforms, Ukraine has faced a number of problematic issues in the field of rural management. The power decentralization reform, which began in 2014, changed the administrative-territorial structure of the state [26]. The processes of problematic issues coordination at the legislative, financial, and institutional levels have been still ongoing [15].

The power decentralization reform was actually started in the country at war. Since 2014 Ukraine has been in a state of undeclared war. The southern part of Ukraine, the Crimea, is illegally annexed by the neighbouring state of Russia. In 2014 an armed conflict broke out in the eastern territories of Ukraine and hostilities continue to this day. The annexation of the Crimea and the fighting in the east of Ukraine have threatened the lives of thousands of people who have been forced to flee their homes and become internal migrants. In June 2015 1.4 million internal migrants (internally displaced persons) were registered in Ukraine.

Moreover, according to this indicator, Ukraine ranks ninth in the world [14].

Currently, the situation has hardly changed. As of February 8, 2021, the number of internal migrants in Ukraine is 1,459,862 [19]. These are internal migrants from the temporarily occupied territories of Donetsk and Luhansk oblasts and the Autonomous Republic of Crimea. Fighting in the eastern territories of Ukraine, a large number of internal migrants are a danger to the functioning of the state, threatening its political and economic development. This requires coordinated and effective activity of public authorities of Ukraine in order to avoid economic downturn and social upheavals in society.

One of the priority tasks of the power decentralization reform in Ukraine was the formation of effective local self-government on the ground, the creation of comfortable living conditions for residents of the most remote rural areas. After all, forced internal migrants, who moved en masse to peaceful areas of Ukraine with the start of hostilities, often chose rural areas to live in due to financial difficulties.

The status of rural areas in Ukraine has changed significantly in recent years due to the decentralization reform. Successful decentralization practices have emerged, and rural communities have experienced the benefits of the reform. Successful decentralization processes determine the reformatting of regional identities, creating conditions for the emergence of new constructive models of collective identity. The reformatting of regional identities in the context of decentralization is extremely important for the inclusion in new communities not only of permanent residents of rural areas, but also of internal migrants who have found new homes.

However, one of the key problems in the implementation of decentralization reform is psychological resistance to changes in society, distrust of innovations, and certain sabotage on the part of both rural residents and a few officials.

Accordingly, there is a need to strengthen cooperation at the «government-community»

level for the success of decentralization practices in rural areas.

This requires a significant update of the arsenal of marketing strategies for rural development for the effectiveness of decentralization reform in Ukraine, which determined the subject and direction of the study.

MATERIALS AND METHODS

The theoretical and methodological basis of the study are general scientific methods of cognition in relation to the problems of rural development, in particular, empirical, analytical, comparative and descriptive. In addition, research methods are based on the principles of systemic and structural-functional analysis.

The normative and legislative base of Ukraine became the methodological basis for the analysis of the new administrative-territorial structure of Ukraine, which was formed as a result of the decentralization reform.

Four regions of Ukraine (western oblasts; central and northern oblasts; eastern oblasts; southern oblasts) were identified and the distribution of territories according to the number of rural territorial communities, population, area and number of village councils amalgamated in the decentralization reform process was analyzed using data from the site «Decentralization provides opportunities» [6].

The concept of territory branding and brand identity theory are used as the best for identifying the competitive advantages of rural areas in order to form effective marketing strategies [1, 2, 11], as the brand of the territory significantly strengthens regional identity.

The authors of the study monitored the practices of decentralization in rural areas of Ukraine during 2020 using the content analysis method, synchronous-diachronic method, etc. The regulatory framework of Ukraine, the websites of public authorities on decentralization issues and key electronic media were monitored. An analysis of successful decentralization practices was performed in order to identify key problems

of rural areas in different regions of Ukraine, which require specific marketing strategies in each case.

The study analyzed works by V. Borshchevskyi, M. Dziamulych, D. Filiuk, L. Korobchuk, I. Kravtsiv, I. Kulish, Y. Mazur, V. Nevlad, I. Shubala, S. Tkach, I. Tomashuk, I. Urban, V. Yakubiv etc. to identify priority marketing strategies for rural areas [3, 7, 13, 18, 24].

The method of brand construction by Smith, et al (2001) as a basis for the formation of effective marketing strategies for rural development in Ukraine is considered [19].

The focus is on the issue of collective identity (J. Gray, P.G. Kilmansegg, M. Guibernau, etc.), as the reformatting of regional identities in the context of power decentralization is extremely important for inclusion of rural residents in new communities [9, 10, 12].

RESULTS AND DISCUSSIONS

The decentralization reform in Ukraine, which began in 2014, actually started in 2015, when the Law of Ukraine “On Voluntary Amalgamation of Territorial Communities” (Law of Ukraine, 2015) was adopted [16].

The vast majority of Ukraine's territory is agricultural land. The number of rural settlements in Ukraine is over 95%, while urban settlements are only about 5% (Table 1).

Table 1. Number of settlements in Ukraine as of 01.02.2021

	Number of settlements in Ukraine	
	number	%
Number of urban settlements	1,343	4.52
Number of rural settlements	28,372	95.48
The total number of settlements	29,715	100

Source: VRU, 2021 [25].

But these data are sharply at odds with the number of people living in cities and villages. As can be seen from Table 2, the urban population in Ukraine is about 70%, and the rural population – about 30%. Table 2

presents data on the population of Ukraine as of 01.01.2020.

These data do not take into account the number of people living in the temporarily occupied Ukrainian territory of the Autonomous Republic of Crimea [23].

As for the territory of Ukraine, the situation is radically opposite: rural areas are much larger than urban ones.

Table 2. The number of rural and urban population in Ukraine as of 01.01.2020

	The number of rural and urban population in Ukraine	
	persons	%
The number of urban population in Ukraine	29,139,346	69.54
The number of rural population in Ukraine	12,763,070	30.46
The total number of population	41,902,416	100

Source: SSSU, 2021 [23].

In Ukraine, the total land area is approximately 60.3 million hectares. The area of agricultural land is 42.7 million hectares, or 70% of the total area of the country [5]. In connection with the power decentralization reform, the administrative-territorial structure of Ukraine was reformatted. The integration of settlements into territorial communities was based on the criteria of capacity [4]. Capable territorial communities of villages (settlements, cities) are able to provide themselves with an appropriate level of service provision (educational, medical, financial, social, cultural, etc.) as a result of voluntary amalgamation.

As a result of the decentralization reform, 1,469 territorial communities were created in Ukraine. However, in fact, there are fewer territorial communities, as by order of the Government of Ukraine, 31 territorial communities have been established in the occupied and temporarily uncontrolled territory within Donetsk and Luhansk oblasts. Thus, today in Ukraine there are 1438 territorial communities, of which – 628 rural territorial communities (Table 3). The table is based on data from the site «Decentralization

provides opportunities» [6]. It should be noted that there are settlements in Ukraine where no territorial community has been created. This is the area affected by the 1986 Chernobyl disaster, including the towns of Pripyat and Chernobyl.

Table 3. Number of territorial communities in Ukraine as of February 2021

	Number of territorial communities	Population	Area, km ²
Rural territorial communities	628	4,942,758	1,734,89.0
Settlement territorial communities	429	6,012,228	202,437.0
Urban territorial communities	381	24,206,288	177,626.0

Source: Decentralization, 2021 [6].

As can be seen from Table 3, rural territorial communities in Ukraine are the largest, but there are the least population living in them. On the other hand, urban territorial communities are the smallest, but their population is almost five times larger. Moreover, the area of both rural and urban territorial communities is approximately the same.

It is interesting to analyze the distribution of the territories of Ukraine by the number of rural territorial communities depending on the region.

Table 4 identifies four regions, which include a number of regions of Ukraine: central and northern regions; western regions; eastern regions; southern regions. The table is based on data from the site «Decentralization provides opportunities» [6].

Table 4. Number of rural territorial communities in Ukraine by regions as of February 2021

Oblast	Number of rural territorial communities	Number of village councils amalgamated	Area, km ²	Population, persons
Central and northern regions of Ukraine				
Vinnitsia	24	182	7,124.0	238,355
Zhytomyr	33	219	9,578.0	222,519
Kyiv	23	128	5,658.0	230,694
Kirovograd	21	141	9,587.0	145,967
Poltava	24	118	6,742.0	160,834
Sumy	21	121	7,139.0	127,676
Khmelnitsky	25	155	5,873.0	171,393
Cherkasy	40	258	10,275.0	292,129
Chernihiv	17	122	6,221.0	96,631
Western regions of Ukraine				
Volyn	25	152	7,096.0	190,810
Transcarpathian	35	157	6,173.0	396,572
Ivano-Frankivsk	24	116	3,938.0	203,795
Lviv	18	119	3,251.0	220,036
Rivne	40	137	7,789.0	276,624
Ternopil	21	162	3,470.0	156,550
Chernivtsi	34	140	3,909.0	310,989
Eastern regions of Ukraine				
Dnipropetrovsk	41	149	13,736.0	282,363
Donetsk *	9	46	3,526.0	62,572
Zaporozhye	36	127	10,756.0	219,704
Luhansk *	5	27	2,309.0	30,843
Kharkiv	13	77	5,640.0	105,236
Southern regions of Ukraine				
Mykolayiv	29	141	10,757.0	191,931
Odessa	47	206	14,190.0	438,218
Kherson	23	94	8,752.0	170,317

* Part of the territories of Donetsk and Luhansk regions are occupied and not under the control of the Ukrainian state

Source: Decentralization, 2021 [6].

Traditionally, the eastern and southern regions of Ukraine have been more populated. If we analyze the percentage of the ratio of urban and rural population, the largest population lives in rural areas of western, central and northern regions of Ukraine. Although the south and east of Ukraine are famous for chernozem soils and agricultural lands, a significant part of the population lives in cities [22]. This is due to the fact that the strong industrial potential of the country is concentrated in the eastern regions of Ukraine. And in rural areas it is very difficult to find employment, especially for young people [7]. Therefore, this is one of the reasons for the predominance of urban population over rural one.

Changing the administrative-territorial structure of Ukraine in the context of the decentralization reform requires a revision of traditional approaches in the explication of marketing strategies for rural development.

Unfortunately, the issue of rural areas marketing in Ukraine is on the periphery of modern research [13]. However, the basis for the formation of marketing strategies are significant achievements existing in the discourse of commercial marketing and regional marketing. Accordingly, it is possible to outline the priority areas of marketing for rural areas. First of all, marketing strategies should be aimed at identifying the potential of rural areas within the state, in particular, the implementation of key ideas, goods and services. Also in the marketing of rural areas the direction of promoting ideas, goods, services is important as the rural area is able to generate them nationally and internationally. To this end, the first step should be to identify the competitive advantages of rural areas. Competitive advantages are identified on the basis of assessment of available resources (human, economic, natural, etc.) and the potential for their implementation.

The concept of territory branding, in our opinion, is the most optimal for identifying the competitive advantages of rural areas in order to form effective marketing strategies. Territory branding is one of the promising areas of modern research. This issue is widely

covered in the context of marketing areas [18]. Successful brands can in some way contribute to the effective development of rural areas. With optimal branding of the territory, some regions can become additionally attractive for investments, development of various business projects, the formation of tourist infrastructure and more. In modern conditions, the brand is a long-term unique competitive advantage.

The brand of the territory, as noted by S. Anholt, is a reflection of the «essence of the place» [2]. The content of the brand can be covered by the concept of identity (brand identity), as one of the important functions of the brand is the identification of a particular product, service, event, phenomenon and so on. By brand identity, D. Aaker understands a certain idea, the perception of the brand that its developers seek to achieve. According to him, brand identity is a unique set of associations that simultaneously relate to the values of the brand and the promises made to its consumers [1]. It is the brand identity that guides the strategy of its development, highlighting its goals and purposes. Brand identity, according to J.-N. Kapferer, closely correlates with its uniqueness, establishing «the boundaries of its uniqueness and value» [11].

In order to form effective marketing strategies for rural areas in Ukraine, we turn to the analysis of successful decentralization practices. This analysis allows us to identify key problems of rural areas in different regions of Ukraine, which require specific marketing strategies in each case. The authors of the study monitored decentralization practices in rural areas of Ukraine during 2020. The regulatory framework of Ukraine, websites of public authorities on decentralization issues and key electronic media were monitored as well.

2020 was quite difficult for Ukraine (and for the world in general) given the pandemic. Due to quarantine measures, the number of successful decentralization practices (in particular, in the field of tourism, sports, culture) has significantly decreased. Although the field of tourism is one of the most promising for rural development [20].

At the same time, most of the successful decentralization practices in Ukraine in 2020 were recorded in rural areas: 40 out of 60 (see Table 5). The table is based on data from the site «Decentralization provides opportunities» [6].

Table 5. Number of successful decentralization practices in rural areas of Ukraine in 2020

Lines of decentralization practice	Number of successful decentralization practices			
	Western oblasts	Central and northern oblasts	Southern oblasts	Eastern oblasts
Activities of local governments	2	2	2	-
Business development	-	1	2	-
Education	-	-	2	-
Tourism, culture	1	-	-	1
Infrastructure development	-	1	2	1
Social services	2	-	-	1
Community safety	-	2	-	-
Information communications	1	-	1	-
Citizen participation	6	1	6	1
Medicine	-	1	-	1
Total, %	30.0	20.0	37.5	12.5

Source: Decentralization, 2021 [6].

As can be seen from Table 5, the highest percentage of successful decentralization practices is in rural areas of the southern and western regions of Ukraine. Rural areas in the eastern regions of Ukraine lag far behind in acquiring the benefits of decentralization reform. It is quite significant that there are no successful practices of decentralization under «Activities of local governments» in the eastern regions. Moreover, it is here in rural areas that there has been great resistance to the reform of decentralization of power by both the authorities and the residents in recent years. There are many reasons for such situations. First of all, it is distrust of decentralization reform and unwillingness to take responsibility for managing one's own funds in the community. Strictly speaking, it is a relic inherited from the command-and-control system of the Soviet Union, where man was considered the cog of a system that

had no right to his own opinion, to his own initiative.

Negative trends in rural communities are also emerging in the cultural sphere today. There is a mass closure of libraries and various cultural centers (clubs) due to the financial inability of rural communities to maintain them. The same negative trends are observed in the field of education and medicine. Small schools and medical centers are mostly closed in rural areas. The reason is the same: the inability of rural local communities to finance them.

These negative trends offset the achievements of decentralization reform, as they lead to the extinction of rural areas. That is why parents with small children eventually move to the cities. Young people are also leaving rural areas due to lack of jobs. Of course, the authorities should develop effective strategies for rural development, financially supporting the educational, medical and cultural spheres. But the problem now is not only in the financial insolvency of local authorities. The problem is much deeper: it is, in particular, due to the indifference of rural residents and their non-inclusion in the lives of their own communities.

Residents of rural areas are mostly silent when small schools are closed, they do not know where to go when there is no public transport.

Residents of rural areas are also silent on the need to renew the election of the institution of elders (persons who perform management functions in villages). Thus, the Electoral Code of Ukraine provided that in each village people would be able to elect a mayor who will perform managerial functions. However, in July 2020, a few months before the local elections, deputies of the Verkhovna Rada of Ukraine made anti-democratic amendments to the Electoral Code – the village head is now not elected, but appointed [17]. This practice undermines the achievement of decentralization reform, as the authorities in rural areas are now significantly distant from the people.

These trends have a negative impact on the development of rural areas in Ukraine. Distrust of the government, inability to take

responsibility for their own lives lead to the collapse of democracy on the ground. But the basic condition for the prosperity of democracy is the availability of social capital, due to which there is cohesion between people, activity and initiative develop. The high level of social capital indicates the ability of individuals to quickly establish horizontal social ties when needed.

Social capital, according to F. Fukuyama, can be defined as «a set of informal values or norms that are shared by members of the group and that make possible cooperation within this group» [8].

At the same time, the mere adoption of common values or norms by a certain group of people does not contribute to the emergence of social capital, as values can be wrong (for example, values that unite criminal groups). Such destructive values will not promote public cooperation. Norms that can produce social capital should include values such as truthfulness, fulfilment of obligations, cooperation with others. Only on the basis of trust effective cooperation between people is possible.

The lack of trust between people indicates, first of all, a deep problem – the lack of a common strong collective identity in rural areas in Ukraine. Constructive models of collective identity can increase the self-esteem of the population of individual rural areas and promote the emergence of self-governing initiatives. It is in this direction that marketing strategies for rural development should be directed.

The initiators of marketing strategies formation for rural development should be local authorities [3]. Authorities are able to create a comfortable living environment for rural residents only if there is active cooperation between the government and the community. That is, in the line of «government-community» interaction, there should be two-way traffic: the government should explain the benefits of decentralization, and the community should nominate active and initiative people who are able to learn something new, able to take responsibility for others.

One of the functions of territory branding is to establish trusting links between rural residents and the authorities. After all, brands provide certain guarantees not only about the expectations of residents, but also about the predictability of the behavior of government officials.

The brand of rural areas is not formed by itself naturally. Most often it is a product of planned activities. The following provisions are becoming important in the formation of rural branding strategy. First, the main recipients of the rural brand should be clearly identified, i.e. the main target group of the brand's consumers. It is also necessary to identify those entities that are interested in shaping the branding of rural areas and those who are able to influence its development. Second, local authorities should initiate the creation of a rural brand. Third, the formation of a brand of a rural area should actively involve legal entities and individuals who belong to a particular rural area or live in it [24].

In the formation of marketing strategies in rural areas a combination of the following branding elements should be used:

- development of the idea of regional leadership in rural areas given the competitive advantages of the region;
- selection of a certain segment of rural leadership;
- formation of a leadership brand based on the selected segment of rural leadership;
- promotion and development of the leading brand of the rural area; formation of relations of the leading brand of the rural territory with the brands of other regions (in particular, cooperation).

In our opinion, the concept of Smith, Berry & Pulfoid (2001) [21] should be used to form effective marketing strategies for rural development in Ukraine (Table 6). This concept proposes a method of brand design, which should focus on four groups of branding components [21]: clarity, accuracy, balance, competitiveness.

Territorial branding often leads to an increase in the self-esteem of the population of a certain rural area, which, in turn, helps to reduce the conflict potential of local residents.

Also, pride in the place of residence can determine the self-organization of individuals at the local level, contributing to the emergence of various self-governing initiatives. In addition, the formation of the brand of the territory contributes to a significant strengthening of regional identity. After all, provided there is a strong regional identity, various contradictions (for example, religious or national) are able to recede into the background, removing the problematic issues of coexistence of different social groups within one rural area from the agenda.

Table 6. Methods of brand design

Branding components	Basic characteristics
Clarity	<ul style="list-style-type: none"> - brand values are easy to understand; - key features of the brand are easily recognizable and different from others; - brand values clearly reflect the benefits; - the platform for the brand and its personalization are unique and clearly expressed.
Accuracy	<ul style="list-style-type: none"> - branding messages are simple; - brand values are significant for specific residents; - brand values are presented in the form of a single clear personalization; - brand values provide a unique positioning compared to other brands.
Balance	<ul style="list-style-type: none"> - the brand emotional benefits are balanced with the rational ones; - applied communication strategies are coordinated with each other; - re-advertising and other types of communication are agreed at the time of their application; - brand perception is constantly increasing.
Competitiveness	<ul style="list-style-type: none"> - the brand is clearly positioned; - brand values are unique; - brand values are developed in such a way as to complicate its imitation; - brand design is legally protected.

Source: Smith, Berry & Pulfoid (2001) [21].

It is important to understand that just as successful branding strategies strengthen the collective identity of residents, so do strategies for building a strong collective identity of rural residents strengthen the brand of the territory.

Collective identity is formed by society, it is an acquired phenomenon, not a natural one. In the formation of collective identities, there are three most important parameters that together

ensure the stability of collective identity: a) communication, b) experience, c) memory [12]. The parameters «experience» and «memory» are directly related to the branding of the territory, as they «root» the individual in the community of a particular rural area. After all, a common positive experience for residents can be the basis for the sustainability of collective identity in a particular rural area. Similarly, common understanding of memory patterns in a given rural area contributes to a stable collective identity.

The defining criteria of identity are «continuity in time and differentiation from others» [10]. That is, collective identity presupposes long-term positioning of the individual as a representative of a certain community, which shares his basic values, which differ from the values of other communities. Also the understanding of the concept of collective identity proposed by J. Gray is productive for our study. According to the theorist, collective identity is determined by attachments to history, nationality, culture, etc. [9]. Through a set of such connections, an individual identifies himself with a certain community.

In the formation of models of collective identity, according to M. Gibernau, an important role belongs to the dominant stereotypes, which involves the implementation of the process of stereotyping. Stereotyping refers to the selection or hyperbolization of the characteristics of a particular object or phenomenon [10]. That is, in the formation of collective identity those common features of a particular rural community which have a positive potential should be highlighted by implementing them actively.

In general, marketing strategies for rural development should be applied at the level of developing constructive stereotypes. Stereotypes are variable elements, visible markers of collective identity, from which the most relevant for a certain rural area symbols, events, ideas are chosen. Stereotypes are the basis of image, as image formation is often reduced to creating a certain stereotype. It should be noted that the concept of brand is different from the concept of image. If the

concept of the brand is correlated with a certain ideal content, then the concept of image means the perception and evaluation of the brand by recipients. Image characteristics act as peripheral features of the brand, giving it a certain integrity in perception. Image characteristics can change, contributing to a more favorable positioning of the brand in certain conditions. Instead, a radical change in the brand itself (its identity) can lead to the destruction and disappearance of the brand.

It is quite easy to formulate marketing strategies for rural development for already formed communities with a stable constructive collective identity. Most often, communities with a stable collective identity are formed in those rural areas that are famous for either well-known historical events, or unique natural landscapes, or the production of specific goods, and so on. People, feeling involved in certain events or territories, are proud of this involvement and, thus, strengthen the collective identity of the community. In the structure of stable collective identities, one can distinguish the nucleus (a set of powerful unique archetypes) and the periphery (variable stereotypes). It is through the core that stable collective identities receive constant nourishment. That is, in the marketing strategies of a rural area with an established brand, it is enough to focus only on the unique characteristics of the territory (characteristics of the core identity).

It is much more difficult for communities with unstable collective identities to develop marketing strategies. In the structure of unstable collective identities there is no core (unique archetypes), they are not rooted, there is only the periphery of identity (stereotypes, i.e. image characteristics). The formation of marketing strategies in rural areas where communities with unstable collective identities live should start with the image of the territory. That is, first a number of constructive stereotypes for residents should be introduced – markers that are associated with a certain rural area and evoke positive associations. Forming the image of a rural area is only the beginning of the path in creating a brand of the territory.

Thus, in order to position individual rural area own identity, it is necessary to first conduct active work on creating a positive image, which will further contribute to the formation of their brands. The next step should be to "fill" the new content of brands in certain areas, i.e. the formation of brand identity in rural areas. In general, successful branding of territories can act as a determinant of effective economic development of rural areas.

The brand of a certain rural area is associated with a set of values that reflect its uniqueness and unique original characteristics of the region or community, especially if these characteristics have already received public recognition.

In fact, the value of a brand lies not only in its recognition, but also in the positive associations tied with it. That is, one should get rid of the destructive stereotypes associated with rural areas as depressive. Destructive stereotypes need to be replaced by constructive and more productive stereotypes. In branding formation of different rural areas of Ukraine regional characteristics should be taken into account. The implementation of territory branding involves the intensification of educational strategies aimed at positive positioning of the rural area own socio-cultural, historical, economic identity for self-affirmation in the national and global space.

CONCLUSIONS

Changing the administrative-territorial structure of Ukraine in the context of the decentralization reform requires a revision of traditional approaches in the explication of marketing strategies for rural development.

The power decentralization reform in Ukraine was actually started in the country at war. The southern part of Ukraine, the Crimea, is illegally annexed by the neighbouring state of Russia. In 2014, an armed conflict broke out in the eastern territories of Ukraine and hostilities continue to this day. One of the priorities of the power decentralization reform in Ukraine was the formation of effective local self-government on the ground, the creation of comfortable living conditions for residents of the most remote rural areas. After

all, forced internal migrants, who moved en masse to peaceful areas of Ukraine with the start of hostilities, often chose rural areas to live in due to financial difficulties.

In the formation of marketing strategies for the development of rural areas, the concept of branding of territories is important, as the brand of the territory contributes to a significant strengthening of regional identity. Marketing strategies for rural development in the context of decentralization reform in Ukraine can be effective if they are primarily aimed at forming constructive regional collective identities for inclusion of rural residents in new communities. It is argued that the lack of a common strong collective identity in rural areas in Ukraine is one of the reasons for leveling the achievements of the decentralization reform.

Authorities are able to create a comfortable living environment for rural residents only if there is active cooperation between the government and the community. That is, in the line of "government-community" interaction, there should be two-way traffic: the government should explain the benefits of decentralization, and the community should nominate active and initiative people who are able to learn something new, able to take responsibility for others.

It is stated that territorial branding often leads to an increase in self-esteem of the population of a certain rural area, which contributes to reducing the conflict potential of local residents. Under the condition of effective branding of rural areas, some areas may become additionally attractive for investments, development of various business projects, the formation of tourist infrastructure and more. Also, pride in the place of residence can determine the self-organization of individuals at the local level, contributing to the emergence of various self-governing initiatives. In addition, the formation of the brand of the territory contributes to a significant strengthening of regional identity. After all, provided there is a strong regional identity, various contradictions (for example, religious or national) are able to recede into the background, removing the problematic

issues of coexistence of different social groups within one rural area from the agenda.

The brand of rural areas is a product of planned activities. The initiators of the formation of marketing strategies for rural development should be local authorities. Legal and physical entities belonging to a certain rural area should be actively involved in the formation of marketing strategies. Successful branding of territories is able to act as a determinant of effective economic development of rural areas.

It is stated that just as successful strategies of branding the territory strengthen the collective identity of the residents, so the strategies of forming a strong collective identity of the inhabitants of rural areas strengthen the brand of the territory.

In general, marketing strategies for rural development should be applied at the level of developing constructive stereotypes - variable elements, visible markers, from which the most relevant for a particular rural area symbols, events, ideas, etc. are selected. Stereotypes are the basis of image. Forming the image of a rural area is only the beginning of the path in creating a brand of the territory. Image characteristics act as peripheral features of the brand, giving it a certain integrity in perception. Image characteristics can change, contributing to a more favorable positioning of the brand of the territory in certain conditions. Instead, a radical change in the brand itself (its identity) can lead to the destruction and disappearance of the brand.

In branding formation of different rural areas of Ukraine, it is necessary to take into account regional features. The branding implementation involves the educational strategies intensification aimed at positive positioning of the rural area own socio-cultural, historical, economic identity for self-affirmation in the national and global space.

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