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## **Features of the economy of intellectual business in Ukraine**

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**Annotation:** The growing role of innovations, the latest technologies and highly intellectual fields of knowledge has caused the formation of a knowledge-based society, as a result, the intellectualization of the economy. This trend has led to the initiation of the so-called intellectual business, which is based on mental activity aimed at creating an intellectual product. In such economic conditions, there is a need to introduce new approaches to the activities of modern enterprises, taking into account the peculiarities of intellectual property and the nuances of intellectual business management. The article examines the essence of an intellectual product, its relationship with scientific research in the field of economics, the role of intellectual business in the development of an innovative new direction of modern entrepreneurial activity. The main properties of the economy of intellectual business and the peculiarities of marketing of an intellectual product have been revealed. Factors limiting the development of the intellectual business economy of Ukraine are highlighted. An algorithm for creating and promoting a commercially attractive intellectual product has been developed. The trends and prospects for the development of the intellectual product market have been studied, problems and ways to solve them have been determined. Recommendations for the development of the intellectual business economy market in Ukraine are offered.

**Keywords:** economy, intellectual business, marketing, intellectual product, innovation, information technologies, commercialization.

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### **1. Introduction**

Highlighting previously unsolved parts of the overall problem. Intellectual business is one of the types of modern entrepreneurial activity, which functions on the basis of the development of a certain intellectual product in order to obtain a target profit and develop the economy. This niche can be considered dually: on the one hand, intellectual business is the process of creating and using certain intellectual property for commercial reasons, and on the other hand, it is the process of implementing the ideas of the developer of an intellectual product.

### **2. Object and subject of research**

In the conditions of the information revolution and the spread of globalization processes, the modern world economy is increasingly rapidly transforming into a fundamentally new sphere, namely the knowledge economy. The growing role of innovations, the latest technologies and highly intellectual fields of knowledge has caused the formation of a knowledge-based society, as a result,

the intellectualization of the economy. This trend has led to the initiation of the so-called intellectual business, which is based on mental activity aimed at creating an intellectual product. In such economic conditions, there is a need to introduce new approaches to the activities of modern enterprises, taking into account the peculiarities of intellectual property and the nuances of intellectual business management [1]. The main feature of the marketing of an intellectual product is the possibility of selling an idea without adding a complex, capital-intensive product form to it, that is, it is possible to implement it without a large initial financial capital. Capital in this case is education, experience, and talent.

### 3. Formulation of the goals of the article

The purpose of the article is to highlight the main theoretical foundations of intellectual business as a specific format of business activity and to justify recommendations for the promotion of an intellectual product in the modern conditions of functioning of the market economy.

### 4. Analysis of recent research and publications

A number of studies by foreign scientists, such as V. Cohen, P. Drucker, T. Sakaya, F. Kotler, L. Edvinson, M. Hammer, T. Hattori, are devoted to the study of a complex of issues related to the economy of intellectual business as an innovative new direction of modern entrepreneurial activity. In particular, they investigated the reasons for interest in the role of intellectual business in modern society and the increase in the share of intellectual capital in the activities of enterprises in the world economy. Among domestic researchers, P.G. Pererva, T.O. Kobelev, M.V. Maslak, O.P. Kosenko, S.M. Ilyashenko, who investigate, in particular, the peculiarities of the domestic intellectual product market and the legal regulation of relations in the field of intellectual property.

### 5. Research methods

The most recommended methodological approach to determining the value of intellectual potential is the method of expert assessments. When applying this method, a survey of a special group of specialists, i.e., experts (5-7 people) is conducted in order to determine the necessary values and research [2].

The survey is carried out using certain criteria of intellectual potential, as shown in the table 1.

**The table 1.** The method of expert assessments

Levels of intellectual potential	Criteria of intellectual potential	Rating of intellectual potential
high level	fully satisfies the company's activity	(+5; +4)
sufficient level	satisfies the company's activity	(+3; +2)
medium level	partially satisfies the company's activity, while requiring minor changes	(+1; -1)
insufficient level	does not satisfy the enterprise's activity and requires significant changes	(-2; -3)
low level	does not satisfy the enterprise's activity and requires serious radical changes	(-4; -5)

The assessment is carried out in a given range from +5 (rather strong positive influence); 0 (neutral impact); to -5 (quite a strong negative impact). For an effective assessment of intellectual

potential, the following measures must be taken: - conduct an assessment of intellectual potential at all possible levels (state, region, industry, researched enterprise); - conduct a study of the impact of intellectual potential on the state of the economy as a whole and on the activity of the enterprise under study; - assess the level of remuneration and funding for scientific and technical developments, innovative proposals, software, etc.; - conduct an assessment of the staff of the researched enterprise; - assess the image and intellectual resources of the company [3].

## 6. Research results

The result of the activity of an intellectual enterprise is a specific product that appears in the form of an idea, solution, project, scientific and technical development, patent, consulting service or other product of intellectual labor. As a result, such a product acquires a certain value, receives recognition in the target market and forms a demand for intellectual business services. The main properties of an intellectual product as the basis for the functioning of intellectual business enterprises are individuality, flexibility, autonomy, multifunctionality, reactivity and the presence of demand among target consumers. In order to create a commercially attractive and unique intellectual product in its field, it is advisable for the enterprise to follow the following algorithm [4–6]:

- 1) analysis of the needs of the target market;
- 2) development of strategic goals of the enterprise;
- 3) generation of ideas and proposals regarding the production of a new product;
- 4) development of a new product model and its verification;
- 5) definition of marketing strategy;
- 6) analysis of production and sales possibilities for the realization of a defined idea;
- 7) trial marketing;
- 8) final implementation of the idea, introduction of the finished product to the market.

It is worth noting that currently economically developed countries delegate labor-intensive physical labor to weaker countries, instead they themselves specialize in intellectual activity. Accordingly, competition in this area is quite weak, the rate of profit is much higher, and the need for such services is becoming more and more urgent. Today, there are a large number of companies that provide consulting or coaching services, develop software, help analyze the target market in order to generate commercially profitable ideas. Thereby, they raise the company in a competitive environment to a higher level and consolidate its position on the market. Thus, intellectual business promotes the strengthening of the role of mental activity and the displacement of physical labor, leaving it only as maintenance. The peculiarity of this replacement of physical labor by intellectual activity is that now it is knowledge, and not physical labor, being involved in the practical processing of resources, that is beginning to act as a specific source of value. So, the labor theory of value is replaced by a radically new theory of value created by knowledge (from the English "knowledge-value"). The founder of this theory, Taichi Sakaya, notes that "we are entering a new stage of civilization, in which the driving force is the values created by knowledge" [7]. As a result, the modern economy is transformed into one based on the exchange of knowledge, that is, certain intellectual products. Such specifics of the development of the world market at the current stage cause attention to be focused on the peculiarities of the formation of personnel involved in the field of intellectual business.

The main qualification requirements for such personnel are considered to be: - the amount of specific knowledge and abilities in accordance with the direction of the company's activity; - the ability of systemic thinking; - availability of personal skills; - target orientation of activity; - innovativeness as the ability to quickly respond to the slightest changes in market demand by introducing improved technologies for the production of a certain intellectual product. A powerful impetus to the development of intellectual business on a global scale is the involvement of young people in this field [8]. Due to its activity, quick adaptability, increased mobility and ability to generate innovative and original ideas, this stratum of the population is able to fundamentally change

not only the activities of intellectual business, but also global economic development in general. The innovative potential of the entire country is determined by the level of involvement of youth in the spheres of state activity.

So, another important nuance regarding the selection of potential personnel in the field of intellectual business is attention to attracting young personnel. The analysis of scientific sources shows that Ukraine is still in the first steps of implementing the field of intellectual business. Currently, Ukrainian enterprises mainly import the necessary information technologies and consulting services. This situation is due to a number of reasons that at this stage of the state's development limit the development of intellectual business of Ukraine: - a long systemic crisis of society; - low level of costs for innovations and intelligent products; - underdevelopment of the competitive environment; - imperfection of the legislative framework in the field of intellectual business; - limited incentives for active formation and implementation of own ideas; - predominance of spending on foreign technologies; - insufficient use of information technologies; - lack of attention to the issues of stimulating youth employment in the field of intellectual activity, - war, which leads to intellectual losses of the country as a result of labor migration of the most active and educated representatives of the youth. All of the above-mentioned phenomena collectively slow down and limit the development of the knowledge economy in Ukraine in general and the sphere of intellectual business in particular [9].

The formation and development of the intellectual product market is associated with the transformation of the industrial economic system into a post-industrial economy and the growth of the process of informatization of society. At the same time, a post-industrial society is defined as a society in the economy of which the priority has shifted to the predominant production of services, conducting research, organizing the education system, and improving the quality of life. Thus, it is possible to briefly outline the main socio-economic prerequisites for the formation of the intellectual product market, highlighting among them the growth of the scientific and technical process, the growing role of the individual, the beginning of the creation of a new effective institutional system, the growth of the integration of science, education, production and the market, which leads to an increase volume and intensity of internal relationships, as well as the emergence of a new scientific field. In general, we can name a number of problems that the intellectual product market in Ukraine faces at the current stage of economic relations: 1) "brain drain", which is associated with low funding of scientific research; 2) legal uncertainty, which creates risky situations; 3) high cost and long period of registration of the application at the international level; 4) low commercialization of intellectual capital; 5) piracy.

To solve these problems, it is possible to propose taking a number of measures [10-12]: 1) determine the procedure for using intellectual property objects by enterprises and organizations of various forms of ownership; 2) facilitate and simplify procedures for obtaining patents; 3) create favorable conditions for the functioning and development of scientific and technical personnel and prevent their outflow abroad; 4) increase the funding of science and promote the attraction of investments, both public and private, in science and science-intensive production; 5) develop a system of domestic grants in the field of the most significant developments and know-how.

## **7. Prospects for further research development**

In connection with the current situation, there is a need to formulate recommendations regarding the development of the intellectual business economy market in Ukraine [13–14]: - development and implementation of an intellectual business development program; - ensuring the transition of higher education institutions to European standards for training specialists in the field of intellectual business; - creation of an appropriate fund for the development of intellectual business to attract investments, increase the competitiveness of intellectual products and improve the standard of living of the population; - development of special programs for training and motivating young people for employment in intellectual business.

## 8. Conclusions

Thus, intellectual business in the conditions of the development of the modern world economy is a promising format of business activity that determines the level of innovativeness of the country and significantly affects its competitiveness in the world market [15]. The processes of intellectualization of the economy require due attention of the state to the development of intellectual business, ensuring the protection of intellectual property rights and overcoming the barrier in the field of innovative development of the country in general.

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