
Economic Strategies of Innovative Development of Intangible Assets of Russian Exporters

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Abstract:

The relevance of the article lies in the development of conceptual approaches to the formation of the essential concept of the category of intangible assets, in particular, goodwill, as well as to justify their role in the formation of innovative export potential of companies.

The object of the research is Russian exporting companies, the subject of the research is the mechanism for the formation of an innovative export potential.

Theoretical and methodological significance includes a conceptual approach for the development of innovative export potential on the basis of innovative transformations of intangible assets.

Practical significance of the article is highlighting the most effective areas of international trade of Russian companies, based on the innovative orientation of exports

Keywords: *Innovative export potential, innovative intangible assets, goodwill, international trade specialization, foreign economic strategies.*

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1. Introduction

Today in the Russian practice, it becomes indisputable that exporters receive ultra high profits by innovating not only tangible, but also intangible assets (IA). In connection with this, the solution of the following tasks acquires special significance for improving the export potential of Russian exporters:

- innovative-oriented formation of the intellectual capital of companies and its components to ensure the competitive advantages of Russian exports on the world market;
- development of new approaches to assess the value of IA, taking into account their innovative transformations, and determining the export performance from the level of innovative development;
- development of foreign economic strategies providing innovative transformations of not only tangible, but also intangible assets, to improve the export potential and increase the goodwill of exporting companies.

2. Conceptual approaches of innovative development of intangible assets

The implementation of these tasks starts playing an increasingly important role for Russian exporters aiming at increasing the level of innovativeness of the export potential, which can be achieved through the innovative transformation of the assets of exporting companies and, above all, IA. (Egorov and Zebelyan, 2015).

In Russian economic science, an ever more active discussion is unfolding about the role of innovation-oriented IA in improving the export potential of national companies and ensuring their competitiveness on the world market and, above all, on the high-tech market. Studies of Russian and foreign scientists Gryaznova and Fedotova (2004), Lev (2003) are devoted to these problems.

There are many difficulties in studies of the substantive assessment of the role of innovation-oriented IA (Bojare and Romanova, 2017). This is due, firstly, to the inconsistency of interpretations of certain categories of the conceptual framework. Thus, the indicator of presence in the IA of intellectual capital (IC) is interpreted as the excess of the market value of the enterprise over its book value. The existence of such an interpretation is explained by the fact that not all the assets involved in creating the value of an enterprise can be reflected in the balance sheet, for example, the knowledge and experience of top managers, know-how in managing an enterprise, extensive business connections of employees, etc. But potential buyers should take them into account.

Secondly, an indicator that characterizes the ratio of the company's capital value and the net book value of assets (the scientific literature gives its interpretation as a coefficient reflecting the ratio of the company's capitalization and book value) is

often used, especially in foreign practice, as an indicator of the effectiveness of IA in the formation of the results of the enterprise.

Thus, according to foreign rating agencies in 500 top US companies, the weighted average capitalization / book value ratio started increasing rapidly since 2005 and in 2015 reached a value of 7.0, that is, only \$1 out of every \$7.0 of companies was reflected in their balance sheets (NES, 2017). The current trend continued in the next two years. The given example confirms the conclusion about the high level of the importance of IA in the formation of the business reputation of exporting companies, which directly affect not only their market value, but also their position in the world market.

3. Features of theoretical and methodological approaches for accounting the intangible assets

In foreign practice, the valuation of intangible assets is made taking into account the International Valuation Manual No. 4 'Intangible Assets'. According to this, "intangibles" are considered to be assets with specific economic properties: the absence of a physical substance; the presence of special rights and privileges of the owners of these assets; income generation of intangible asset owners.

Thus, the existence of intangible assets explains the fact that not all intangible assets can be reflected in the balance sheet. For example, such elements of IA as knowledge, qualifications and managerial experience of top managers, customers' relations, etc., in the balance sheet are not reflected. If even under accounting standards they are not reflected in the balance sheet, they still have a significant impact on the value of assets (Ivanova *et al.*, 2017; Lado Gonzalez and Calvo Dopico, 2017).

Based on this, we argue that there are at least two possible approaches to the formation of the concept of the economic essence of intangible assets. The first approach is the accounting one. Its application requires compliance with the requirements of the Legislation of the Russian Federation, as well as the Accounting Regulations 'Accounting for Intangible Assets', 14/2007. The second approach is the costing one. Its application implies that all elements creating IA value are taken into account, including those that are not reflected in the balance sheet, but were identified during the assessment. In this case, the concepts of "intangible assets" and "intellectual capital" may be close in economic content and value.

We fully agree with the opinion of the English economist Lev (2003), who notes that the Russian accounting system is sufficiently adapted to the accounting of IA. Foreign scientists - economists and practitioners use the goodwill term in the designation of such IA as business reputation, dividing it into two types: commercial and legal.

The concept of commercial goodwill includes any type of property that reflects the name of a business, a trademark, patents, know-how, etc., which are rights that have a monetary value, and are regulated by regulatory documents. The cash value of goodwill is based on the expected return on such benefits, calculated as the diminution of the company's market value and the value of its assets. Such an approach in the scientific literature is called the 'common pool' theory, according to which the excess of the market value of an enterprise is explained by the possibility of obtaining greater profits due to the established effective management mechanism, the use of high technologies, which allow dominating the market.

Legal goodwill, as interpreted by foreign economists, when compared with commercial goodwill, represents a narrower concept. This approach is based on the formation of property rights, formed on the basis of the results of the company's past activity aimed at making profits. Thus, the interpretation of the essence of legal goodwill is reduced to the concept of IA of an existing business using an unregistered trademark, the location of the company and the employees managing it.

All of the above leads to the conclusion that in foreign economic science and practice, a differentiated approach is used to understand the interpretations of business reputation. This approach is close to the accounting one used in Russian practice, which is based on the application of regulatory provisions of the legislation used to reflect IA in the financial statements, as well as to the income approach in assessing the value of a company based on determining future profits, creating and increasing the value of assets, i.e. the commercial use of IA.

4. Relationship and interdependence of the exporting company's reputation

In domestic practice, in relation to the companies - exporters, business reputation includes big profits, and investments in the innovative development of this asset could provide multiple returns, increasing the efficiency of the export potential. But maintaining a good business reputation of the exporting company requires significant investments in the development of export potential, allowing to improve the quality of export products, service, image, advertising of a trademark, etc.

Today, among Russian exporters, more and more attention is paid to building a good business reputation. To date, Russia has a certain practical experience in conducting business reputation studies of the largest domestic exporting companies. The first rating was published in 1997 in the journal "Expert". In subsequent years, this rating was conducted annually. The list of estimated components of business reputation in the development of the rating is updated, changed, supplemented each year. But the key five elements characterizing the business reputation of exporters remain the following: ethics in relations with foreign partners; the quality of export products, goods, services; innovative level of export capacity; the effectiveness of the top

management of the company; ethics in relation to the company with internal partners (Table 1).

Table 1. Weighted average assessments of the elements of business reputation obtained by the Expert Rating Agency among Russian exporting companies, 2017 (Expert, 2018)

Elements of business reputation	Weight, %
Ethics in relations with foreign partners	36
Quality of export products, goods, services	21
Innovative level of export capacity	18
Effectiveness of the company's top management	15
Ethics in relation to the company with internal partners	10

As Table 1 shows, the most important indicator for characterizing the business reputation of the exporting company was ethics in relations with foreign partners, and the least important one is ethics in relations with internal partners. In addition, a multifactor correlation analysis of the relationship and interdependence of the exporting company and the level of innovative development of the structural elements of intangible assets in its export potential also made it possible to establish the following important connections:

- goodwill - innovative-oriented exports, the ranking correlation coefficient of this relationship is relatively low - 0.6, i.e. a good reputation does not automatically mean an innovative level of export deliveries, the main thing here is the level of innovativeness of the company's export potential, which shows the close relationship with business reputation (0.85). This means that the know-how, patents and other innovative elements of IA that belong to business reputation directly affect the innovativeness of the export potential;
- goodwill - the size of the company, these factors are almost independent among themselves, their coefficient of rank correlation is less than 0.2, which means that the company may be small and little known, but have a good reputation;
- goodwill - advertising costs. There is no direct relationship here. The main channel of advertising with an impact on reputation is the promotion of a trademark (the correlation of advertising costs and brand awareness was 0.7).

The All-Russian Public Opinion Research Center (ARPORC, VCIOM) is also a well-known Russian rating agency conducting a study of the business reputation of the largest Russian companies (Table 2).

Table 2. Criteria for comparing exporting companies according to their business reputation, 2017 (STG, 2018)

Criterion	Weight, %
Quality and high-technology of export products of the company	6,38
The level of innovativeness of the export potential of the company	6,31

The business reputation of the exporting company	6,23
Reputation of top management of the exporting company	6,17
The level of importance (share) of the exporting company in the country's export supplies	5,66
Financial and economic sustainability and commercial viability of the exporting company	5,52
Conditions aimed at the innovative development of export potential and high-tech exports	5,51
Effectiveness of the personnel policy of the exporting company	5,41
Responsibility of the exporting company in the payment of taxes	5,18
The quality of the activities of the exporting company for environmental protection	5,15
Charity	4,69

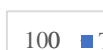
The resulting indicator of the business reputation of exporting companies is the integral index of “corporate reputation”, which is calculated based on the criteria rating and assessment of the compliance level of the studied companies with these criteria. The index shows how high the business reputation of the exporting company is assessed by professional experts (Kizim and kaifedzhan, 2017). Summing up the study of the rating of companies’ business reputat, it should be noted that they allow making comparisons at the level of “more - less”, “better - worse”, but they cannot give an idea of the actual value of business reputation of exporting companies.

However, the formation of an information field for assessing the business reputation of exporting companies seems to us an important tool for assessing the effectiveness of the impact of innovative development of export potential on improving the business reputation of Russian companies. In this regard, we consider ensuring the formation of high-tech export potential, based on the development and implementation of foreign economic strategies of innovation-oriented development of the elements of the business reputation of exporting companies as the most promising way out.

5. Theoretical and methodological approaches to the formation of foreign economic strategies for intangible assets

To identify the prospective pros and possible cons of the innovation-oriented foreign economic strategy of forming the export potential of companies, we analyzed the level of innovative orientation of Russian exports.

Let us turn to the analysis of the share of high-tech products in the import and export of Russia. We should note the huge difference in the volume of imports and exports of high technology products. Innovative products are imported six times more than exported. However, during the study period, the level of high-tech imports decreased, while exports increased (Figure 1). Actually, Western restrictions had an important influence on these processes.

Figure 1. Dynamics of the level of innovation import and export of Russia,% (NES, 2018)

Today, special attention is given to the innovation aspect in the foreign economic activity of Russia due to the fact that the technological component of Russia's international trade specialization does not meet the requirements of the world market (Nikulina and Cheftelova, 2017). Russian exporters do not compete with world leaders in the market of innovative services and goods, but they have the necessary innovative potential and resources for this (Nikulina and Luginya, 2017).

It is quite fair to use the indicator of the proportion of companies engaged in technological, organizational, marketing innovations in foreign economic activity in the total number of exporters as the main indicator characterizing the activity of companies engaged in innovation-oriented foreign economic activity (Table 3). It should be noted that a direct relationship was revealed between investments in the innovation potential of the export potential and innovation-oriented export activities.

Table 3. Comparative characteristics of the activity of high-tech exporting companies of Russia

Region	The share of companies engaged in high-tech exports, the total number of exporting companies in Russia,%					
	2010	2011	2012	2013	2014	2015
Russia	9,5	10,4	10,3	10,1	9,3	9,9
Southern Federal District, Russia's leader in high-tech exports	7,5	6,5	7,4	7,7	7,2	7,8
Including:						
Republic of Adygeya	6,5	6,3	7,2	7,4	6,0	6,5
Republic of Kalmykia	7,1	7,9	8,2	7,5	7,1	6,7
Krasnodar Krai	6,2	6,1	7,4	6,2	5,6	6,4
Astrakhan region	12,8	11,5	9,8	9,1	8,4	11,1

Volgograd region	8,4	7,9	7,1	8,1	6,3	6,3
Rostov region	7,3	6,6	8,7	9,7	7,6	8,9

We agree with Nikulina and Luginya (2017) that the general level of innovativeness of the foreign economic activity of exporting companies in Russia is significantly influenced by the innovative orientation of export activities, primarily, by exporting companies from leading regions. For example, exporting companies of the Rostov Region, the Krasnodar Territory, and the Astrakhan Region, as can be seen from the data in the table, are pursuing an active innovation policy and thus support the level of innovation activity of all Russian exports at a sufficient height.

At the same time, exporting companies of the republics of Kalmykia and Adygea, the Volgograd region, have a negative impact on the overall level of innovative activity of exports in Russia. As we see, it is connected with various innovative concepts implemented in exporting companies in Russian regions.

Therefore, it would be expedient to overcome this disparity for exporting companies to more actively use their competitive advantages in gaining stable positions in the international high-tech market, as envisaged in the Strategy for Russia's Economic Development until 2020. The main objective of this strategy is that the development of export activities of exporting companies in Russia should be ensured as part of the improvement of Russia's international trade specialization and, above all, on the basis of the innovative orientation of export flows.

6. Conclusion

Summing up the above theoretical and methodological approaches to the formation of foreign economic strategies for developing the export potential of companies based on the innovation of their intangible assets, we should pay highlight the need for the following measures in Russia: focus on improving not only high-tech export production, but also actively promoting and consolidating it in the global high-tech market; more rational use of scientific potential in foreign economic activity; the development of the foreign economic strategy of the innovation orientation of the export potential and, on this basis, the improvement of the international trade specialization of Russia as a whole.

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