

THE USE OF COMPETITOR ANALYSIS AS A FACTOR OF INCREASING THE COMPETITIVENESS OF THE COMPANY

U. A. Sharipova,

Candidate of Economic Sciences, Associate Professor, Head of the Department of International
Finance and Investments of the University of World Economy and Diplomacy

A B S T R A C T	K E Y W O R D S
Along with theoretical studies of the essence of competition and competitiveness, the problem of practical assessment of competitiveness has long been discussed in the economic literature. It can be stated that certain successes have been achieved in assessing the competitiveness of products to date, quite acceptable methods for assessing the competitiveness of identical goods and services have been developed.	situation, complicate, assessment, competitiveness of enterprises

Introduction:

The situation is more complicated with the assessment of the competitiveness of enterprises. Despite the fact that certain steps have been taken and are being taken in this direction, economists have not developed a universal and universally recognized methodology for a comprehensive assessment of the competitiveness of an enterprise at the present time.

At the same time, there is a need to assess the competitiveness of an enterprise, since in a market economy, the assessment of its competitive positions is an integral element of the activities of any economic entity. The study of competitors and the conditions of competition in the industry is required by the enterprise first of all in order to determine what its advantages and disadvantages are over competitors, and draw conclusions for the development of the enterprise's own successful competitive strategy and maintaining a competitive advantage. Determining the competitiveness of an enterprise is an integral element of the activities of any economic entity.

In particular, the assessment of the competitiveness of an economic entity is necessary in order to:

- develop measures to improve competitiveness;
- selection of counterparties for joint activities;
- drawing up a program for the company's entry into new sales markets;
- implementation of investment activities;
- implementation of state regulation of the economy.

In any case, the assessment of the competitiveness of the enterprise pursues the goal: to determine the position of the enterprise in the market under study.

The main task of every economist studying the problem of assessing the competitiveness of enterprises is to find the criteria of competitiveness, its sources and factors. The analysis of the economic literature

on the subject under consideration allows us to identify several approaches to solving the formulated problem. Next, the main known methods of assessing the competitiveness of companies will be analyzed, their advantages and disadvantages will be summarized.

Speaking about the classification of existing methods, first of all, we note that economists have proposed a huge variety of different methods for assessing the competitiveness of enterprises (the score goes to dozens). To match this variety of methods, there are many classifications of them: according to the theoretical content, according to the form of displaying the evaluation results, according to the form of mathematical connection of indicators and a number of others. Within the framework of this study, a meaningful (classical) classification of methods for assessing the competitiveness of companies will be analyzed. Also note that the study considers only the main (most common) of the existing approaches. So, at present, the following main methods of assessing the competitiveness of enterprises can be distinguished.

Product methods

The first thought that comes to mind when solving the problem of assessing the competitiveness of an enterprise is that the competition of companies in a market economy has the form of product competition, and the ability of a company to compete in a certain commodity market directly depends on the competitiveness of its goods. This position is repeatedly confirmed by economic practice, which indicates that the absolute majority of competitive companies are represented on the market by competitive products. Conversely, it is difficult to imagine a successful enterprise producing products that are not in demand among consumers. Within the framework of the considered approach, the relationship between the competitiveness of the product and the success of the company is so strong that these categories are practically identified.

Product methods are based on the judgment that the assessment of the competitiveness of an economic entity can be made through an assessment of the competitiveness of its products: the higher the competitiveness of the goods, the higher the competitiveness of the enterprise. At the same time, various marketing and qualimetric methods are used to determine the competitiveness of products, most of which are based on finding the price-quality ratio of products. There are many methods for finding this ratio. Below is a brief description of the most common of them

The indicator of the competitiveness of an enterprise, as a rule, is determined by finding a weighted average among the indicators of competitiveness for each type of product, where the volumes of sales of the corresponding type of product act as weights:

The total consumption costs include both the cost of purchasing the product itself and the costs of its operation, purchase of consumables, maintenance (including repairs) and disposal.

Note that some researchers suggest using its market share as an indicator of the competitiveness of products, which, in our opinion, is a more accurate reflection of competitiveness.

The undoubted advantages of the considered approach include the fact that it takes into account one of the most important components of the competitiveness of the enterprise – the competitiveness of its products. Indeed, it is difficult to imagine a successful enterprise that does not have a portfolio of competitive products.

The disadvantages are that the competitive strength of the products is still not identical to the sustainable competitive advantage of the enterprise, since any price or quality advantages of the products are relatively quickly copied by competitors and the economic benefits from them disappear. Also, certain complaints are caused by reducing the competitiveness of products to an assessment of the price-quality

ratio, which does not take into account the degree of its innovativeness, which is of great importance when positioning products on the market.

In addition, the application of this group of methods involves the comparison of similar products. At the same time, the development of commodity-money relations leads to increasingly aggravated differences in the economic conditions of enterprises, their increasing diversification, and increasing differentiation of goods and services. It is becoming increasingly difficult to define clear geographical boundaries of a particular market, to establish a list of competing goods, which entails the low applicability of such methods of assessing the competitiveness of enterprises.

However, the main disadvantage of this approach is that it allows you to get a very limited idea of the advantages and disadvantages in the work of the enterprise, since its competitiveness takes the form of product competitiveness and does not affect other aspects of its activities. After all, the competitiveness of products reflects the level of demand for products, and the competitiveness of an enterprise reflects the level of efficiency of economic activity. It is not by chance that economic practice abounds with examples of how economic entities producing quite competitive products fail. The reason for this is the fundamental contradiction between the competitiveness of the enterprise and the competitiveness of its products.

The fact is that the competitiveness of products is evaluated primarily from the point of view of meeting the needs of the buyer. The competitiveness of the enterprise is assessed from the point of view of the interests of the owner (management, investor) of the business entity. In other words, the lower the price of a product, the greater its competitiveness. However, whether such a price will be able to provide the necessary economic efficiency for further expanded reproduction of the enterprise is a big question. An enterprise that produces even the most remarkable products, but does it with chronic losses, cannot be competitive. It is because of this that we consider the assessment of the competitiveness of an economic entity purely through the assessment of the competitiveness of its products to be fundamentally incorrect (for a detailed consideration of the issue of the ratio of the competitiveness of an enterprise and the competitiveness of its products, see here).

At the same time, the inadmissibility of identifying the categories of "enterprise competitiveness" and "product competitiveness" was not always obvious. Indeed, the main key competence in the conditions of the industrial economy was the production of products.

With the development of the post-industrial economy, when the structure of the enterprise has become much more complex than just an assembly shop, the number of key competencies required for the success of the company has increased significantly. With the increase in the number of key competencies, the importance of the production function inevitably began to decrease. Moreover, in the modern economy, when technologies make it possible to outsource the assembly of goods to subcontractors (often geographically located in other states) without losing the quality characteristics of products, the process of material production less and less determines the competitiveness of the company. In these conditions, cardinal differences between the assessment of the competitiveness of an enterprise and the assessment of the competitiveness of its products are manifested.

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