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## **THE ESSENCE OF THE INTERNATIONAL COMPETITIVENESS OF THE ENTERPRISE IN MODERN CONDITIONS**

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The competitiveness of the enterprise in international markets is a very important factor for its long-term development. Every company focused on the international market needs to clearly and effectively assess its capabilities and

potential, know its strengths and weaknesses, and competitive advantages in order to function effectively. Ensuring international competitiveness is currently a complex process for businesses and needs to be researched in the current complex economic conditions in the world.

International competitiveness reflects the adaptability of the enterprise to constant changes in the external environment, the possibility of effective use of the existing internal reserves, is manifested in the achievement of the company's competitive advantage in international competition.

Competitive advantages demonstrate in which areas the company has achieved better results than the competitors. The analysis of competitive advantages of the enterprise allows to develop the correct strategy of positioning its goods and services in the market, having allocated target segments in the market and having focused financial resources of the enterprise on them.

Competitive advantages are divided according to the forms of origin into external, which characterize the market advantages of the enterprise in meeting the needs of consumers, and internal, which are based on the functional areas of the enterprise. For example, the company's image in the market, features of customer service, the ratio of product prices and quality – are manifestations of external competitive advantages. Internal competitive advantages are financial, managerial, marketing, investment, production and innovation activities of the enterprise.

Enterprises are creating new competitive advantages by introducing new technologies, using special intellectual resources, or inventing new ways to carry out their activities.

The technology of competitive advantages formation is a set of procedures and methods of their implementation, designed for better positioning the company in a competitive environment. Ensuring competitive advantage depends on such factors as: quality, key competencies - special skills or technology that create unique value for consumers; new technologies, new customer demands, the emergence of a new industry segment through the development of new products, changes in the cost or types of production components, changes in government regulation, innovation, more effective competitive advantage, improved production, efficient use of resources and their ratio.

In conditions of global competition, the competitive advantage of the enterprise is ensured by its activities at all levels. The competitive advantages that the company has gained in the domestic market are complemented by the advantages that have emerged during international operations. M. Porter distinguishes two types of competitive advantages of the enterprise: competitive advantages, which are due to lower costs of the enterprise; competitive advantages, which are due to the differentiation of goods of the enterprise, which increases their consumer value.

To ensure the competitive advantages of the enterprise requires the presence of its competitive potential. As a result of the interaction of all components of the competitive potential system, the effect of integrity is achieved, i.e. there are new properties that each individual resource does not have. Depending on the combination of these properties, it is possible to create a competitive advantage among competing structures. It will be expedient to introduce systematic diagnostics and monitoring of

competitive potential at the enterprise, which provides information about the status and possible ways of most effective use of potential in time, and also determines not only directions, but also opportunities of competitive strategy realization that will ensure that this enterprise is able to achieve high level of competitiveness.

Comparing the factors of competitiveness allows only to state the best or worse level of the company's activity. However, the most important thing is to understand why a competing company has achieved better results and to take appropriate actions for yours.

Forms and methods of economic influence on these processes are primarily a coordinated system of forecasting and planning product quality, setting acceptable prices for producers and consumers for certain types of goods, strong enough motivation of all categories of employees, and social one - comprehensive activation of the human factor, correct personnel policy, creation of proper working and living conditions.

Most often, competitiveness is considered in two aspects: the competitiveness of a product or a company. These two aspects are closely related, as competitive products are the result of a competitive company. The main component of the enterprise competitiveness is the product produced by the enterprise, more precisely the technical characteristics of this product, quality and so on. Therefore, in order to achieve high competitiveness in the international market, the company must first improve the quality of its goods and form the right way of a competitive strategy based on the analysis of competitive advantages.

The process of ensuring the international competitiveness of the enterprise has been studied by many domestic and foreign scientists. One of the founders of the theory of international competitiveness is M. Porter, who identifies the main parameters that affect the level of competitiveness - factors of production, demand, level of development of the supporting and related industries, the choice of potential strategy. M. Porter's scientific studies were reflected in further research of modern scholars, who interpreted the process of international competitiveness differently: some paid more attention to the study of competitive advantages of the enterprise in the international market; others focused their research on product competitiveness as a part of enterprise competitiveness. In our opinion, ensuring the international competitiveness of the enterprise is a generalizing indicator of the enterprise, which includes providing competitive advantages (maintaining existing and creating new ones) in all areas of the enterprise on the international market (production, organizational, financial, investment, innovation, etc.) considering the limited resources.

International competitiveness depends on the economic situation in the country, so the economic crisis has a negative impact on the process of ensuring the international competitiveness of enterprises. The main factors that have a negative impact on competitiveness are the deterioration of the reputation of enterprises in the international market, the dependence of competitiveness on the type of enterprise activity, the increase of the cost of transportation and promotion of goods considering high energy prices in a crisis, low profitability that hinders innovative enterprises'

development and certification of manufactured products in accordance with international quality standards.

The choice of the international competitiveness model of the enterprise provides substantiation of directions in the achievement of the strategic competitive purposes which contain rules and methods, namely: formation of the price policy providing strategic dynamics of growth of a target market segment, total volume of the commodity sales, turnover of certain groups of goods; management of the resource potential, its functional and cost redistribution in order to obtain target profits and maximize profitability in the strategic period; formation of a product range that meets consumer needs and ensures revenue maximization, volume minimization and cost structure optimization; efficient supply of goods and minimization of costs for the formation of inventories, in particular, by choosing a competitive supplier; increasing the social efficiency of trade services; ensuring investment attractiveness as a result of minimizing the payback period of investments and increasing the efficiency of investment projects in trade.

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