

2.2. PREREQUISITES FOR THE FORMATION OF COMPETITIVE STRATEGIES FOR THE DEVELOPMENT OF ORGANIC PRODUCTION

Recently, more and more attention has been paid to the development of organic production in the scientific development of competitive development strategies for Ukrainian agricultural enterprises. So, one of the basic sectors for the introduction of organic production with the least cost for the enterprise is vegetable production. Moreover, these products are finished cycle and ready for consumption without additional processing. At the same time, the priority direction for the development of the industry is also determined by the rapid pace of revenue generation and opportunities for expansion of production.

Vegetable farming is a complex and time consuming industry in the agricultural sector. The full development of this industry is constrained by separate reasons. They can be grouped into two main areas. The first is the formation of production capacity of enterprises and their supply. And, secondly, it is the management of demand generation processes and marketing activities. The problems with the formation of the proposal include: low level of agrotechnology during the growing of vegetable crops due to insufficient resources and technological support; non-compliance of domestic vegetable products with European standards (European supermarkets only sell products with quality and safety certification) and so on. The problems of managing the processes of demand satisfaction include: lack of necessary capacity for refining, and storage and processing; low development of agro-logistics and lack of professional branding; lack of efficient infrastructure¹. At the same time, it is also necessary to add the basic problems of attracting organic production, which relate to both the production direction and the management system in the formulation of competitive enterprise development strategies².

According to experts of the agrarian market, the volume of its vegetable segment in Ukraine even exceeds the grain one. However, the unsatisfactory level of development of this market (unstructured, significant losses in commodity marketing, high weight of the speculative component in pricing, etc.) indicate the need to justify prospective measures for its development. Therefore, the main objectives of this study are to determine the current state of functioning of the enterprise in the market of vegetable products, in particular, to analyze its production and marketing opportunities, as well as to provide a proposal to improve the economic efficiency of sales of goods through the use of individual tools of competitive development and marketing activities.

Vegetable production can be considered as the industry with the highest profits in the agricultural sector. It should be noted that the vegetable market is strategically important and indispensable in ensuring the food security of the state. Especially when organic production is raised. The vegetable industry also fully supports the food industry, processing industry and the functioning of the agri-food market. At the same time, this sphere is not only ensuring the domestic food security of the state, but also produces quality export-oriented goods. It should be noted that the value added is extremely high.

For the vast majority of vegetables, the available selling prices, with the exception of individual years, actually allow not only to fully cover all the production costs of growing them, but also provide a sufficiently high level of profitability, which usually exceeds 100%. Therefore, this line of agribusiness is quite economically viable and guarantees stable demand for products from both domestic and foreign food markets³.

Features of production of organic vegetables are formed on two sides. First, it is a fairly competitive commodity for foreign trade. In general, imports of vegetables have a highly seasonal character, and therefore do not have a significant impact on the domestic food market price

¹ Kernyasuk, Yu. (2019). Open-source and greenhouse vegetables market. Agrobiznes syogodny. <http://agro-business.com.ua/agro/ekonomichniy-hektar/item/10912-rynok-ovochiv-vidkrytoho-gruntu-ta-teplychnykh.html>

² Sevidova, I. O. (2013): Vplyv yakosti ovochevoyi produktsiyi na konkurentospromozhnist' ovochivnytstva [Impact of quality of vegetable products on competitiveness of vegetable production]. Visnyk LNAU. Seriya «Ekonomika APK» - Bulletin of LNAU. AIC Economics Series, № 20(1): pp. 302-306.

³ http://www.agrosvit.info/pdf/9_2009/9.pdf

situation, since its largest volumes tend to be between December and April. In recent years, imports of vegetables and processed products have been dominated by imports. At the same time, domestic agribusiness has significant potential to increase exports in this direction, because the demand for these products remains high in the world market, and the culture of healthy nutrition drives the population of many countries of the world to increase the consumption of various types of vegetables in fresh or processed form ¹.

Secondly, it is the domestic market. Analysis of the state of vegetable production shows that the specified direction of agribusiness remains one of the most sustainable and promising for development in all categories of farms.

In the agricultural sector, the production of open and closed ground vegetables is distinguished. At the same time, 98.7% of the total harvested area is in the open ground vegetables, whereas in the closed area it is only 1.3%. However, the share of closed-area vegetables in the overall structure of all these crops has almost doubled in recent years. That is, interest in the development of greenhouse vegetables grows annually. The largest share in the structure of areas of vegetable crops is traditionally occupied by tomatoes, cabbage, cucumbers and onions, which, respectively, is 17, 16, 13 and 12%, respectively.

Considerable areas in the cultivation of vegetable crops belong to carrots and beetroot, the share of which in the structure, respectively, reaches 10 and 9%.

If we analyze in more detail over the last three years the dynamics of changing the area under vegetable crops, the highest growth rates were observed in the cultivation of vegetable marrows (114.5%): table pumpkins (107.3%): sweet pepper and bitter pepper (105.4%).) and garlic (103.4%). At the same time, there was a marked decrease in the area under eggplant and cabbage.

About 85% of all vegetables are produced by households. The smallest share is in the production of tomatoes (67.5%): onions (84%) and carrots (88.2%): and the highest - garlic (99.1%): table pumpkins (98.9%): vegetable marrows (97.8%) and cucumbers (95.1%). Among the regions, the largest number of vegetables is grown in Kherson (1268.9 thousand tons, or 13.7% of the total): Dnipropetrovsk (702.6 thousand tons and 7.6%): Kharkiv (687.7 thousand tons and 7.4%): Kyiv (581.1 thousand tons and 6.3%) and Mykolaiv regions (554.5 thousand tons and 6%). In general, compared to 2000, the production of vegetables increased 1.6 times, even with the reduction of their harvested area, which was not least achieved primarily due to a significant increase in the average yield by 1.8 times.

In the overall production, the share of closed soil vegetables is growing every year and already reached 6.1% last year. At the same time, 30.1% of the whole volume, or almost every 3 kg of cucumbers out of 10 was produced in greenhouses, while the share of tomatoes was about 11.7%. However, current volumes of vegetable production in greenhouse farms are insufficient to meet the growing seasonal demand for these products, as evidenced by the analysis of imports of certain species ².

Vegetable prices have traditionally been seasonally volatile. However, due to certain peculiarities of their formation in the market, due to the high level of competition from millions of their main producers - households, as well as thousands of agricultural enterprises and imports, price trends are more predictable.

In January-April 2018, compared to the same period last year, average prices for vegetables in Ukraine increased by 8.3%. At the same time, compared to January 2018, the market prices of vegetables on the average for the last 4 months increased by 168.9%. At the same time, the value of indoor vegetables has traditionally increased in the winter and has declined since the beginning of spring.

¹<https://agravery.com/uk/posts/show/dumka-vitciznaniy-rinok-viavivsa-ne-gotovij-do-rizkogo-zbilsenna-eksportu-ogirkiv-z-tureccini>

² Batuyk, L. A.; Kvyatko, T. M.; Babko, N.M. (2018): *Suspil'ni rynkovi transformatsiyi: hlobal'nyy kontekst* [Public Market Transformations: Global Context]. *Visnyk KHNTUSG : ekonomichni nauky - Bulletin of HNTUSG. Economic science*, no 193, pp. 110-120.

Along with the economic components of competitive advantage formation, questions about the peculiarities of the management system and strategic management at the vegetable companies are raised ¹². The vast majority of them are engaged in the production of non-organic products, which shapes their marketing and logistics activities. Implementation of marketing and logistics tools in full in the existing conditions of functioning of enterprises in the field of agribusiness is possible only in some cases. For example, product policy formation is minimized. This is due to a number of factors, both objective and subjective ³. In particular, nowadays, according to the demand of the market, it is necessary to introduce organic production, and most enterprises produce their products according to the traditional method. Therefore, small volumes of organic production form a small amount of supply. At the same time, this shapes the pricing policy in this segment of the market ⁴. Paying more attention to the manufacturing component negates the possibility of increasing competitiveness through managerial and economic mechanisms. Therefore, the policy of communication and promotion is only through the formation of distribution channels. At the same time, the possibilities of using logistic activities only at the level of transport logistics are minimized.

The research made it possible to single out a leading enterprise, which at a high level carries out its production and commercial activity in the market of vegetable crops and year-round grows and supplies hundreds of tons of fresh vegetables to the markets of the whole country. The company offers cucumbers and tomatoes according to its basic commodity policy. The company specializes in the production of greenhouse cucumber, which allows you to consistently obtain a quality and competitive product that is in demand, both in wholesale and retail.

Cucumber - an annual herbaceous plant, creeping pumpkin family, and the only vegetable, the fruits (herbs) of which are eaten in unripe form. The cucumber family is India. And the name "cucumber" comes from the Greek "aoros", which means "immature". Subsequently the word "aoros" was transformed into "augros" and then into "cucumber". Today, cucumber culture is ubiquitous and has many varieties and varieties.

For many years, the company has been using low-volume technology for growing vegetables, which is based on the cultivation of vegetables in small volumes of greenhouse substrate (peat, coconut, peat dry pressing, mineral wool). This requires accurate dosing and irrigation control, which is achieved by drip irrigation. In a system of low-volume technology, seedlings are grown in pots with a cruciform bottom. Seeds are planted two in one pot filled with substrate. When planting seedlings are not removed from the pot, as the roots sprout through the cruciform bottom directly into the substrate, which preserves the root system as much as possible. At low-volume technology of cultivation of a cucumber both bee-dusting hybrids, and self-dusting are used.

Fresh cucumbers prepared for packaging should not be moist. They are packed in boxes in accordance with DSTU 13359, 17812, 20463, tight enough flush with the edges of the container to prevent damage during transportation. Each packing unit must contain cucumbers of one size group. The packaging for the packaging of fresh cucumbers must be whole, strong, dry, clean and odorless. Fresh cucumbers are transported by all means of transport in accordance with the rules of carriage of perishable goods, acting on this type of transport. When transporting in refrigerated cars and auto-refrigerators, the air temperature must be maintained from 5 to 10 C. When transporting

¹ Batuyk, L. A.; Kvyatko, T. M.; Babko, N.M. (2018): Transnatsionalizatsiya natsional'nykh ekonomichnykh system v umovakh hlobalizatsiyi [Transnationalization of national economic systems in the conditions of globalization]. Visnyk KHNTUSG : ekonomichni nauky - Bulletin of HNTUSG. Economic science, no 200, pp. 95-103.

² Zinchuk, T.O. (2013): Kon`yunktura yevropeyc`koho ahrarnoho rynku: tendentsiyi ta perepektyvy dlya Ukrayiny [Daylight saving time for the european market: trends and opportunities for Ukraine]. Zbirnyk naukovykh prats' TDATU - Collection of scientific works of TDATU, No 2 (14): pp.96-105.

³ Sevidova, I. O. (2018): Formuvannya stratehiyi na osnovi naukovykh doslidzhen' z vykorystannyam instrumentariyu nekooperatyvnoyi teoriiy ihor [Formation of strategy based on scientific research using the tools of non-cooperative game theory]. Efektyvna ekonomika - An efficient economy, no 3., pp. 35-45.

⁴ Kvyatko, T. M. (2014): Ahromarketynh yak skladova pidvyshchennya efektyvnosti diyal'nosti vitchyznyanykh sil'hospiddpryyemstv [Agromarketing as a warehouse for efficient business activities of foreign companies]. Naukovyy visnyk LNUVMB - Scientific Bulletin of LNUVMB, no 1 (1): pp. 213-218.

fresh cucumbers in refrigerated cars, the height of the stacking boxes should be at least 2.2 - 2.4 cm, depending on the type of rolling stock.

Tomatoes are the second most popular crop grown indoors. Modern cultivation technologies ensure high yield and quality of the resulting product.

Tomato today is one of the most popular crops due to its valuable nutritional and dietary qualities, a great variety of varieties, with different ways of cultivation. In the assortment of varieties and hybrids of the enterprise there are tomatoes both for open ground, and for film and glass greenhouses. The main qualities of tomatoes - unpretentious to the growing conditions, disease resistance, high yield and excellent taste of the fruit. To properly select a variety or hybrid of tomato, you must take into account the conditions of cultivation, soil type, level of agricultural technology, and most importantly - the choice depends largely on the purpose of the tomato.

Fresh tomatoes prepared for packaging should not be moist. Tomatoes are packed in boxes in accordance with DSTU 17817, 20463 in dense rows flush with the edges of the container. Tomatoes are transported by all means of transport in accordance with the rules of carriage of perishable goods in force on this type of transport. Fresh tomatoes must meet the requirements specified. Fully formed dairy matured tomatoes are allowed to be transported without cooling in the summer only over long distances (for inter-regional transportation). Tomatoes of red degree of maturity are allowed to be transported by refrigerators and trucks for local delivery. When transporting fresh tomatoes in refrigerated cars, the height of the stacking boxes should be not less than 1.6 cm and not more than 2.4 cm.

Store fresh tomatoes in containers in closed, clean ventilated areas. Shelf life of tomatoes: red (yellow, orange): pink degree of maturity at a temperature of 0-20 C - no more than 1 - 1.5 months; brown degree of maturity at a temperature of 4-60 C, milky degree of maturity at a temperature of 8-100 C, green degree of maturity at a temperature of 12-140 C - no more than 1 month. The relative humidity of the air during storage should be 85-90%. High quality standards and continuous laboratory control of key parameters of the technical process, along with modern cultivation technologies and monitoring of conformity of final products, is a guarantee.

The company pays special attention to the high quality of products, which is achieved through:

- automation and continuous control of all stages of production, from sowing to harvesting to transportation;
- introduction of the newest technologies of growing vegetable crops, application of an effective system of drip irrigation, introduction of new productive varieties;
- availability of an agrochemical laboratory that uses modern methods of diagnostics and control over the proper nutrition of plants, soil condition, the rate of minerals in vegetables, etc.

The company regularly undergoes routine inspections at the State Sanitary and Epidemiological Service of Ukraine, the results of which produce a sanitary and epidemiological conclusion on production. Also, the products of the factory regularly undergo various studies, which is confirmed by the presence of protocols. The warranty period of storage of production - no more than 15 days (at an air temperature of 10-14 ° C and relative humidity of 85-95%). The company is interested in reliable suppliers and contractors who, being professionals in their field, make a significant contribution to improving the rhythm and reliability of the enterprise.

The main share in the channels of sale of cucumbers at the enterprise is occupied by the intermediary organizations which buy large commodity lots of cucumbers for further resale at higher prices. So, the main production of the enterprise is cucumber - a popular crop for growing in sheltered soil. Its advantages in comparison with other classical cultures are rather fast introduction into fruition and receipt of production in short terms. This allows farmers to cover costs and make a profit for a short period. However, the laws of the market, the greater the supply of goods, the lower the price for it. This is what we see every year. The attractive price of cucumbers, which allows producers to cover the costs and make a profit, remains, depending on the weather, until the end of April. Therefore, in order to profit from the sale, the harvest of gherkin cucumbers must start from late January to early February. It should be noted that the retail selling price of cucumbers in the

summer can be reduced to 8-10 UAH / kg, and in winter and spring - even exceed 150 UAH / kg. Therefore, due to the peculiarities of production and sales of cucumbers, it is possible to adapt individual marketing activities. In this case, the attraction of organic production will increase the prices of sales by 2-3 times, which will be influenced by the constantly increasing demand for organic products.

Along with the economic components of competitive advantage formation, questions about the peculiarities of the management system and strategic management at the vegetable companies are raised. So, the vast majority of them are engaged in the production of non-organic products, which shapes their marketing and logistics activities. The implementation of marketing and logistics tools in full in the existing conditions of operation of enterprises in the field of agribusiness is possible only in certain cases. For example, product policy formation is minimized. This is due to a number of factors, both objective and subjective. In particular, nowadays, according to the demands of the market, it is necessary to introduce organic production, and most enterprises produce their products according to the traditional method. Therefore, small volumes of organic production form a small amount of supply. At the same time, this shapes the pricing policy in this segment of the market. Paying more attention to the manufacturing component negates the possibility of increasing competitiveness through managerial and economic mechanisms. Therefore, the policy of communication and promotion is only through the formation of sales channels. At the same time, the possibilities of using logistic activities only at the level of transport logistics are minimized.

The system of competitive marketing strategies of enterprises in theory should include strategies for the formation of competitive advantages, strategies for ensuring the competitiveness of enterprises and strategies for their competitive behavior. It should be noted that the main feature of the formation of these strategies for the conditions of activity of agricultural enterprises is the impossibility of their rapid and full implementation through a number of factors of organizational, economic and managerial nature.

In particular, with regard to the problems of the organizational part, the primary strategy of the enterprises is to ensure the fullest utilization of the existing production facilities of the enterprises. For years, agrarian and technological base has been formed in agrarian production, the updating of which is not possible for a factor of rapid response to changes in the market environment. That is, such a strategy of generating competitive advantages as a differentiation strategy, and the main production strategies to ensure the competitiveness of enterprises - commodity-market, resource-market and technological strategy - in most cases will not be able to be updated or applied at all to agrarian enterprises in the short term. It should also be noted that the main negative factor for increasing the competitiveness of agrarian enterprises is time, which is why the rapid response to the market situation is one of the most important and important tasks that they face.

Enterprise development strategies should include not only the continued production of vegetable products, but also the continued involvement of organic production. Today, a very small amount of manufactured goods is organic, so the ever-increasing demand for it is a good incentive to increase supply. Organic production, first of all, requires changes in the production component of the enterprise. And, secondly, the introduction of appropriate organizational changes in the enterprise management system will allow to expand economic opportunities through full use of marketing policies. Further introduction of marketing activity will also allow the producer to obtain additional economic effect, to expand marketing channels and to form the optimum terms of sale of vegetable production during the year, and thereby to increase the profitability of the business.

References:

1. Babenko, V.; Perevozova, I.; Mandych, O.; Kvyatko, T.; Maliy, O.; Mykolenko, I., (2019): World informatization in conditions of international globalization: factors of influence. *Global. J. Environ. Sci. Manage.*, 5(SI): pp. 172-179.
2. Balabanova, L.V. (2006): *Marketynhove upravlinnya konkurentospromozhnistyu pidpryyemstv* [Marketing management of enterprise competitiveness]. Monograph. Donets'k: Don DUET, p. 294.

2. Batuyk, L. A.; Kvyatko, T. M.; Babko, N.M. (2018): Suspil'ni rynkovi transformatsiyi: hlobal'nyy kontekst [Public Market Transformations: Global Context]. Visnyk KHNTUSG : ekonomichni nauky - Bulletin of KHNTUSG. Economic science, no 193, pp. 110-120.

3. Batuyk, L. A.; Kvyatko, T. M.; Babko, N.M. (2018): Transnatsionalizatsiya natsional'nykh ekonomichnykh system v umovakh hlobalizatsiyi [Transnationalization of national economic systems in the conditions of globalization]. Visnyk KHNTUSG : ekonomichni nauky - Bulletin of KHNTUSG. Economic science, no 200, pp. 95-103.

4. Boyko, Yu. O. (2015): Konkurentni cstrukury rynkiv zbutu ta potentsial konkurentocpromozhnocti ahrarnykh pidpryyemstv [Competitive structures of sales markets and the state of competition of industrial enterprises]. Teoriya i praktyka rozvytku ahropromycolovoho kompleksu ta cil'c'kykh terytoriy - Theory and Practice of Development of Agricultural Complexes and Agricultural Territories, pp. 315-317.

5. http://www.agrosvit.info/pdf/9_2009/9.pdf

6. <https://agravery.com/uk/posts/show/dumka-vitciznaniy-rinok-viavivsa-ne-gotovij-dorizkogo-zbilsenna-eksportu-ogirkiv-z-tureccini>

7. Kernyasuk, Yu. (2019): Open-source and greenhouse vegetables market. Agrobiznes sygodny - Agribusiness today. <http://agro-business.com.ua/agro/ekonomichniy-hektar/item/10912-rynok-ovochiv-vidkrytoho-gruntu-ta-teplychnykh.html>

8. Kvyatko, T. M. (2014): Ahromarketynh yak skladova pidvyshchennya efektyvnosti diyal'nosti vitchyznyanykh sil'hospidpryyemstv [Agromarketing as a warehouse for efficient business activities of foreign companies]. Naukovyy visnyk LNUVMB - Scientific Bulletin of LNUVMB, no 1 (1): pp. 213-218.

9. Sevidova, I. O. (2013): Vplyv yakosti ovochevoyi produktsiyi na konkurentospromozhnist' ovochivnytstva [Impact of quality of vegetable products on competitiveness of vegetable production]. Visnyk LNAU. Seriya «Ekonomika APK» - Bulletin of LNAU. AIC Economics Series, № 20(1): pp. 302-306.

10. Sevidova, I. O. (2018): Formuvannya stratehiyi na osnovi naukovykh doslidzhen' z vykorystanniam instrumentariyu nekooperatyvnoyi teorii i hor [Formation of strategy based on scientific research using the tools of non-cooperative game theory]. Efektyvna ekonomika - An efficient economy, no 3., pp. 35-45.

11. Zinchuk, T.O. (2013): Kon`yunktura yevropeyc'koho ahrarnoho rynku: tendentsiyi ta perspektyvy dlya Ukrainy [Daylight saving time for the european market: trends and opportunities for Ukraine]. Zbirnyk naukovykh prats' TDATU - Collection of scientific works of TDATU, No 2 (14): pp.96–105