

COMPETITIVE STRATEGIES OF ENTERPRISE: THEORETICAL ASPECT

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Under modern conditions of economic development in almost all segments of Ukrainian markets there are increased competition, dynamic changes in the external environment, public access to information, deepening crises and more. It is in such conditions that the role of strategic management of the company increases. Based on the research, it was found that currently in economics there are no clear boundaries between the processes of strategic management at different levels. For example, some scholars generally identify the process of strategic management with the process of forming or implementing a competitive strategy [1]. From our point of view, strategic management is much broader and includes in its structure the stage of formation and implementation of competitive strategy. A similar opinion is held by V.V. Pastukhova, who identifies four key blocks in the model of strategic management of the company:

- block for defining key goals;
- analytical unit;
- strategy development unit;
- strategy implementation unit.

In particular, the author emphasizes that the block of strategy development in its structure includes such stages as: generation of strategic alternatives of different options, choice of one development strategy of the company, and also development of the strategic plan. Therefore, to use the substitution of the category "strategic management" with the concept of "strategy formation/implementation" in economics is generally unacceptable [2].

The category "strategy" is now considered one of the most widely used in economics. However, the economic literature contains a large number of interpretations of this category. In particular, in foreign science, strategy is considered as an operational category, that reflects in each case a separate aspect of the long-term planning management process. In general, strategy is understood as a process of long-term planning, which is based on the understanding that all changes in the future can be predicted, and internal processes are controlled. That means, if the company in the market will act in accordance with the chosen strategy, then in the future it will achieve its goals. As a rule, the organization's strategy is developed for the medium or long term and includes structure projects, programs and specific actions. Currently, the key goal of the company is to maintain and expand its position in a particular market segment in order to increase or stabilize the amount of profit. To ensure the achievement of the latter by the company is possible as a result of focusing its activities on profit maximization. In this case, it is a competitive strategy that can give the company a competitive advantage, the opportunity to take a leading position in the market and, consequently, to obtain high and stable profits.

In this article, the authors understand the category of "competitive strategy" as a certain way of action that allows a company to gain a competitive advantage in a particular field of activity by competing and meeting unstable consumer needs, much more effectively than competitors, but without harm to society and the individual consumer. The company's competitive strategy makes it possible to more clearly specify and determine the direction of the organization's corporate strategy. Developing a competitive strategy is to define and understand how the company will compete in the market, what

will be key objectives and what resources the company needs in the process of achieving the objectives. The essence of any organization's competitive strategy is to strive to take a leading position in the industry and keep them as long as possible.

However, after achieving strategically defined goals, the company's policy should be revised because when a business entity develops according to the desired development scenario, the practical implementation of a competitive strategy to achieve the achieved goal does not make sense. Such a strategy does not take into account situations that may arise in the future, urgent tactical and operational tasks.

In the process of developing a competitive strategy, professionals must also look for new opportunities that may arise as a result of the company's projects. As practice shows, in the process of implementing projects for the company there are unexpected prospects, which are almost impossible to predict, so use a general wording that fits within the strategy. The general strategy of the company is formed and implemented at all levels of strategic management: corporate; market; functional; linear.

Research in the field of strategic management was conducted by A. Maslow. In particular, the scientist studied the processes of managing the motivation of individuals. Among the most effective methods of managing employee motivation A. Maslow attributed those methods that meet all levels of individual needs at their best. We believe that modern companies when developing competitive strategies should consider the work of A. Maslow, because each consumer will prefer the product of the company, which will fully meet its needs, both lower and higher levels.

F. Kotler also studied competitive strategies. The author emphasized that companies simply need to use competitive strategies in order to survive in the market. According to the provisions of F. Kotler in economics, given the market share owned by the company, it is advisable to distinguish four competitive strategies:

- market leader strategy;
- strategy of the candidate for leadership;
- strategy to follow the leader;
- niche market strategy (focused strategy).

According to the scientist, the company should focus on such components of competitive strategies as product management, communication, pricing and sales. Also, the merit of F. Kotler is that he proposed the concept of marketing according to which all employees of the organization should strive for corporate interaction based on marketing tools [3].

G. Mintzberg also studied competitive strategies. In particular, the researcher's research was aimed at studying the process of making effective strategic decisions. To the latter, the author included such solutions that can provide solutions to unforeseen problem situations based on intuitive decisions of senior managers. G. Mintzberg believes that the best for companies are those competitive strategies that are forced on the vision of promising options for future development of the organization. We believe that the scientist's contribution was that he was able to point out the shortcomings of the planning process and prove the effectiveness of competitive strategies in the development of the company as a whole. G. Mintzberg also stressed that the company in the course of its activities must constantly assess the effectiveness of competitive strategy and adjusts it depending on changes in the market.

For the first time the category "competitive strategy" was used by M. Porter, although in his work "Competitive Strategy: Techniques for Analyzing Industries and Competitors" the scientist did not provide a clear interpretation of this category.

According to M. Porter, a key component in the development and selection of a company's development strategy is the ability to quickly adapt to the competitive environment. The author argues that the competitive environment of the company is formed as a result of the impact on the market of various factors and is a set of different subjects of economic relations and relationships between them, which further determine the intensity of competition in a particular segment of the product market. Among the most influential factors in the competitive environment M. Porter includes: market power of sellers, market power of buyers, the threat of new competitors, the threat of substitute products and competition between competitors. Some experts suggest highlighting another factor – government policy in the field of competition regulation. Also, when developing and implementing the strategy, the

company must take into account the model of market structure (monopolistic competition, oligopoly, and monopoly), the structure of the industry and the stage of the life cycle of the market segment. M. Porter also believed that universal strategies determine the conceptual approaches to the formation of competitive advantages of the organization and the differences of its strategic positions in the market. The essence of the position proposed by the scientist was as follows: if each company will plan and follow the recommendations of M. Porter, the competition stabilizes over time, and the company seeks to become a leader in minimizing costs, using a strategy of differentiation or concentration (in a narrow market segment), will eventually take its place in the market. However, in today's market development, Porter's model does not provide companies with the benefits it previously provided. Using this model will provide the company only the opportunity to keep their business afloat. For economics, Porter's model is important, but today the choice of competitive strategy from his position does not solve the problem of forming an effective competitive strategy, because the key components are cost management. We believe that the value of M. Porter's scientific approach is that he was able to specifically point out to companies the various options for competitive strategies that should be considered in the process of developing and implementing corporate strategy [4]. M. Porter considered an effective strategy that can increase the company's competitiveness, improve its market position and fit harmoniously into the overall strategy of the company.

G. Hemel noted that the role of strategy is to be able to use all resources in the process of activity and create a dynamic situation that will allow the company to realize its strategic goals. In contrast to A. Maslow, G. Hemel considered the methods of personnel adaptation management to be the most effective methods in the process of forming a competitive strategy. These methods, according to the scientist, are able to fully develop the entrepreneurial skills of top managers and professional opportunities of employees. Subsequently, G. Hemel and K.K. Prahalad came to the conclusion that the company's competitive strategy should be aimed not at fighting a competitor for market share, but at the possibility of avoiding competition.

In Table 1, we have grouped the species of various scholars on the content of the concept of "competitive strategy". The presented species indicate that today there is no single approach to the process of forming competitive strategies. In a market economy, the provisions proposed by M. Porter are mostly in demand.

Table 1. Contribution of scientists to the development and implementation of competitive strategies

Author	Position
A. Maslow	Maslow's pyramid, meeting the needs of all levels
F. Kotler	1. Strategy "market leader" 2. "Call" strategy 3. Strategy of "imitation" 4. Strategy of the specialist
G. Mintzberg	Systematic evaluation of the effectiveness of the strategy and its adjustment, both in the short and long term
M. Porter	1. Strategy of differentiation or concentration 2. Cost management strategy 3. Niche market strategy
G. Hemel	Personnel adaptation management

As a rule, competitive strategies are a separate component in the structure of competitive behavior of economic entities. At the initial stage of entering the market, the company's competitive behavior is modeled at the strategic level and takes the form of a competitive strategy. In the future, the company's competitive behavior takes the form of operational procedures, situational reactions and certain actions in the target market segment.

The company's competitive strategy is established when it plans to compete in a particular segment of the target market. Competitive strategy is a set of initiatives, practical actions, and reactions of the business entity to the external environment in order to obtain competitive advantages. That is,

the company's strategy defines a certain set of actions to achieve competitive advantage in a particular segment of the product market [5].

We believe that in the process of forming a competitive strategy, the company must take into account the influence of external and internal factors. In particular, Yu.N. Korolenko proposes to identify the following groups of influencing factors:

a) a group of external influences:

- socio-economic situation;
- informatization of society;
- the impact of the company on society;
- change of priorities in meeting the needs of consumers;
- globalization changes in society.

b) a group of factors of internal influence:

- a new role of marketing in the company;
- features of production;
- product competitiveness;
- changes in the motivational structure of employees;
- investment activity of the enterprise [6].

The rapid changes given in the structure of the market environment, companies simply need to constantly monitor the external environment in order not to lose the chance to identify new opportunities for effective development of the company and reduce the impact of possible threats to its activities. Today, environmental monitoring is the basis of the process of identifying and generating competitive advantages that can provide companies with increased profits. It is the ratio of external and internal capabilities of production structures and forms a system of strategic alternatives to the company. And it is the process of choosing the most optimal solution for the effective development of the company, based on the collected and structured information, and is the process of strategy formation.

Today, the development of a company's competitive strategy should be formed on the basis of strategic management, because the choice of the optimal strategy has specific features and is determined by the level of development of qualification skills of top managers. The choice of competitive strategy also depends on the development of the market situation in a particular period. This means how quickly a company can respond to changes in the structure of the external environment, which has a competitive advantage and what experience management has in the strategic decision-making process.

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