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in Public Administration

IMPLEMENTATION OF INFORMATION

BПРОВАДЖЕН

INTEGRATED SYSTEMS IN THE PROCESS

IHTEГРОВАНИ

Urgency of the research. Large-scale and rapid development of domestic and foreign trade, which is taking place in the context of the deepening of market relations, liberalization and de-monopolization, becomes increasingly based on the principles of competition, both in the domestic market and in foreign ones. Competition intensifies the activity of market actors, stimulates their search for new forms and methods of trade and plays a special role in institutional organization of the circulation of goods and services; it determines the dynamics as well as quantitative and qualitative parameters of trading activities.

OF INVESTIGATION OF COMPETITION ON

THE EXTERNAL MARKET

Actual scientific researches and issues analysis. Considerable interest in this field is drawn by works of P. Kotler (1998), Y. Poluneev (2006), A. Popov (2001), M. Porter (1998; 2005). B. Supikhanov (2007), R. Fatkhutdinov (2000), H. Horschgen (2000), H. Cherevko (2004), S. Pogodayev (2006), Y. Romanenko (2016).

Uninvestigated parts of general matters defining. When entering foreign markets, a manufacturer observes great competition, both on the part of local companies and other foreign companies. Accordingly, the manufacturer must know how to achieve the desired result in the market, how his products will be promoted. Businesses that plan to enter new markets need not only detailed information about the market in question, but also a long-term action plan.

The research objective. The purpose of writing the article is to provide practical recommendations for improving research on competition of businesses in foreign markets.

The statement of basic materials. First of all its necessary to identify the future goals. Although many companies pay enough attention to financial goals, but general analysis of a competitor's goals usually should cover many other qualitative factors. Among them there are goals formulated in indices of market position, technological leadership, social results, etc. Diagnosis of goals should also extend to various levels of management.

The second, most important component of analysis of competitors of studying competitors in external market is identifying ideas of each competitor which are divided into two main categories:

- a competitor's idea of himself;
- a competitor's idea on the industry and other companies in it.

Each company operates based on certain ideas of the situation in which it is. A competitor's ideas of his own situation may be correct or incorrect. If they are incorrect, a promising strategic means of action arises.

Similarly, each firm operates on the basis of some ideas of its industry and competitors.

Conclusions. Thus, implementing integrated infor-

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# ВПРОВАДЖЕННЯ ІНФОРМАЦІЙНИХ ІНТЕГРОВАНИХ СИСТЕМ В ПРОЦЕС ДОСЛІДЖЕННЯ КОНКУРЕНЦІЇ НА ЗОВНІШНЬОМУ РИНКУ

Актуальність теми дослідження. Широкомасштабний і випереджуючий розвиток внутрішньої та зовнішньої торгівлі, який відбувається в умовах поглиблення ринкових відносин, лібералізації і демонополізації, все більше базується на засадах конкуренції, як на вітчизняному, так і на зовнішньому ринках. Конкуренція активізує діяльність суб'єктів ринку, стимулює їх пошук до нових форм і методів торгівлі та відіграє особливу роль в інституційній організації обігу товарів та послуг і визначає динаміку, кількісні та якісні параметри торговельної діяльності.

Аналіз останніх досліджень і публікацій. Значний інтерес вирішенню даному питанню присвятили в своїх роботах: Котлер, Попов, Портер, Супіханов, Хершген, Черевко, Погодаєв, Романенко та ін.

Постановка проблеми. При виході на зовнішні ринки виробник спостерігає велику конкуренцію як з боку місцевих підприємств, так і інших зарубіжних фірм. Відповідно виробник має знати, яким чином можна досягти необхідного результату на ринку, як просуватиметься його продукція. Підприємствам, що планують вихід на нові ринки, необхідна не тільки детальна інформація про цей ринок, а ще і довгостроковий план дій..

Постановка завдання. Метою написання статті є надання практичних рекомендацій щодо вдосконалення досліджень щодо конкуренції підприємств на зовнішньому ринку.

Виклад основного матеріалу. Більшість компаній проводить лише частковий аналіз, що дозволяє одержати інтуїтивне уявлення про поточні варіанти стратегії конкурентів і їх переваги і слабкі сторони. Значно менше уваги, як правило, приділяється розумінню рушійних сил, що визначають поведінку конкурента, його майбутніх цілей і його уявлень про власну позицію і стан своєї галузі (ліва частина схеми). Встановити ці рушійні сили значно складніше, ніж фактична поведінку конкурента, проте саме вони визначають його майбутню поведінку.

Перший компонент аналізу дослідження конкурентів на зовнішньому ринку - діагностика цілей конкурентів (і критеріїв досягнення цих цілей) - важливий з багатьох причин. Знання цілей дозволяє виявити ступінь задоволеності конкурентів їх поточною позицією і фінансовими результатами і тим самим визначити вірогідність зміни ними стратегії і характер реакції на зовнішні події (наприклад, динаміку економічного циклу) або дії інших фірм. Другий найважливіший компонент аналізу конкурентів дослідження конкурентів на зовнішньому ринку - виявлення представлень кожного конку-



mation systems for studying competition in external market opens up many new opportunities for the company. It organizes and summarizes data on the object studied and conducts market segmentation, studies product positioning and forecasting demand for products, analyzes the range of goods, analyzes prices in external market.

рента, які діляться на дві основні категорії:

- уявлення конкурента про себе;
- уявлення конкурента про галузь і інші компанії в ній.

Кожна фірма діє, виходячи з тих або інших уявлень про ситуацію, в якій знаходиться. Уявлення конкурента про власну ситуацію можуть бути вірними або невірними. Якщо вони невірні, виникає багатообіцяючий стратегічний засіб дії. Так само кожна фірма діє на основі уявлень про свою галузь і конкурентів.

Висновки. Таким чином, впровадження інтегрованих інформаційних систем для вивчення конкуренції на зовнішньому ринку, відкриває безліч нових можливостей для компанії. Він організує та узагальнює дані про об'єкт і проводить сегментування ринку, вивчення позиціонування товару та прогнозування попиту на продукцію, аналіз асортименту продукції, аналіз цін на зовнішньому ринку.

**Ключові слова:** інформаційне забезпечення; інформаційні системи; зовнішній ринок; конкуренти.

**Keywords:** information security; information systems; external market; competitors.

Relevance of the research topic. Large-scale and rapid development of domestic and foreign trade, which is taking place in the context of the deepening of market relations, liberalization and demonopolization, becomes increasingly based on the principles of competition, both in the domestic market and in foreign ones. Competition intensifies the activity of market actors, stimulates their search for new forms and methods of trade and plays a special role in institutional organization of the circulation of goods and services; it determines the dynamics as well as quantitative and qualitative parameters of trading activities.

When entering foreign markets, a manufacturer observes great competition, both on the part of local companies and other foreign companies. Accordingly, the manufacturer must know how to achieve the desired result in the market, how his products will be promoted. Businesses that plan to enter new markets need not only detailed information about the market in question, but also a long-term action plan. To prepare such a plan, one should not only have a notion of the current situation in the market, but also anticipate possible changes that may occur in one or another situation. Under such conditions, interest in studying the problem of the development of a strategy to promote products of Ukrainian producers in foreign markets objectively increases. Promotion of goods, introduction of the most modern methods of promotion is an integral part of marketing products at enterprises and of ensuring their competitiveness.

**Problem statement.** Increasing diversification of consumers' needs, increasing competition, business interaction, mobility of changes in competitive environment, significant increase and widespread availability of modern technology, and a number of other factors caused the rising of the importance and relevance of studying problems of improving the effectiveness of managing the international competitiveness of an enterprise. When carrying out foreign economic activities, enterprises typically face a number of problems associated with creating an effective mechanism for managing international competitiveness.

External competitiveness of a company is its ability to create and sell products price and non-price qualities of which are more attractive than those of similar products of the competitors in the external market.

Today's realities are indicative of the fact that there is a problem concerning creating and ensuring further growth of the level of external competitiveness of enterprises during their entering external markets. It is connected, primarily, with the lack of knowledge and skills that are necessary to create an effective system of managing the international competitiveness of a company.

Review of recent papers and research. Considerable interest in this field is drawn by works of P. Kotler (1998), Y. Poluneev (2006), A. Popov (2001), M. Porter (1998; 2005). B. Supikhanov (2007), R. Fatkhutdinov (2000), H. Horschgen (2000), H. Cherevko (2004), S. Pogodayev (2006), Y. Romanenko (2016).

**Objective setting.** The purpose of writing the article is to provide practical recommendations for improving research on competition of businesses in foreign markets.

**Basic material presentation.** As a result of analyzing of the national and international experience, it can be argued that gathering all the data that are necessary for studying competition in external market is almost always nearly impossible (Porter, 1998; Porter 2005).

In almost cases, most companies conduct only partial analysis, which allows getting intuitive idea of the current options of strategies of competitors and their strengths and weaknesses. Much less attention is usually paid to understanding the driving forces that determine the behavior of a competitor his future goals and his ideas about his own position of affairs and the condition of his industry (the left part of the scheme). It is much more difficult to identify these driving forces than the actual behavior of a competitor, but just they determine his future behavior.

The conducted analysis of scientific views of experts gives us the reason to critically analyze the basic components of studying competitors in external market which should be considered as the basic one of this process.

First of all its necessary to identify the future goals. Although many companies pay enough attention to financial goals, but general analysis of a competitor's goals usually should cover many other qualitative factors. Among them there are goals formulated in indices of market position, technological leadership, social results, etc. Diagnosis of goals should also extend to various levels of management.

The second, most important component of analysis of competitors of studying competitors in external market is identifying ideas of each competitor which are divided into two main categories:

- · a competitor's idea of himself;
- a competitor's idea on the industry and other companies in it.

Each company operates based on certain ideas of the situation in which it is. A competitor's ideas of his own situation may be correct or incorrect. If they are incorrect, a promising strategic means of action arises.

Similarly, each firm operates on the basis of some ideas of its industry and competitors. They can be correct or incorrect, too. There are very many examples of firms that largely overestimated or underestimated the patience, resources, or skills of their competitors.

The third component of analysis of studying competitors in external market is drafting analytical reports on the current strategy of each competitor. It is expedient to consider the strategy of a competitor as the main directions of his policies in each functional area of business and ways to ensure interrelations of these functions. This strategy can be both obvious and hidden, but it is always there in one form or another (Fatkhutdinov, 2000).

After analyzing future goals, ideas, current strategies, and potential opportunities of a competitor, we can start looking for answers to key questions that enable us to make a description of expected response actions of a competitor and to broaden the basis of studying competition in external market.

In reality, competitors will rarely be completely deprived of the possibility of maneuver or at least struggle to attain conflicting goals.

Search for answers to questions about studying competitors in external market creates a great need for information. Information about competitors can come from various sources: published reports, business press, employees of the sales system, customers or suppliers that are common for the company and a competitor, the inspectorate of product quality, assessments of the technical staff of the company, information extracted from former managers and other employees of a competitor, and so forth. Generally, all data necessary for analysis of competitors cannot be collected immediately and completely. They usually do not come in a stream, but rather accumulate gradually, and to bring them together, one needs time to get a full picture of the situation of a competitor (Kotler, 1998).

Conducting analysis of the activities of competitors is associated with systematic accumulation of relevant information. By concentrating on the research available in the national economy all information can be divided into two groups quantitative or formal information qualitative information.

Quantitative information is unbiased and reflects actual data on the activities of competitors. As products and services are perceived individually and often depend on who manufactures and provides them, qualitative characteristics of competitors become very important. Qualitative information is a



collection of subjective estimates since it reflects non-formalized characteristics. It can be supplemented by feedback from customers, clients, experts (Horschgen, 2000).

Comprehensive assessment of the activities of competitors can be obtained by using special tables, which contain data about the main competitors.

Despite the obvious need for thorough analysis of a competitor in formulation of the strategy, such analysis is not nearly always carried out sufficiently clearly and comprehensively. The difficulty lies in the fact that comprehensive analysis of a competitor requires a significant amount of data, most of which are difficult to obtain without making considerable effort. Many companies are not engaged in systematic collection of information about competitors but rather operate based on fragmentary information, informal experiences, assumptions, and intuition. The lack of qualitative information extremely complicates analysis of a competitor.

Obviously, to get data for comprehensive analysis, hard work alone is not enough. Effective collection of information requires an organized mechanism - a kind of competition intelligence system (Pogodayev, 2006; Romanenko, 2016).

There are very many sources of both field and published data; many employees of the company usually can contribute to their obtainment. In addition, one employee usually cannot afford effective work on collecting, recording, summing up, and presenting all this information. In practice, different ways of organizing this work at firms are adopted. This can be a group for competitor analysis, which is part of the department of planning and performs all necessary functions (which, in particular, makes other members of the organization collect field data); a coordinator of competition information performing the functions of collecting, recording, and presenting data; a system in which the developer of the strategy does this work in an informal way (Kotler, 1998).

So, whatever mechanism of obtaining information about competitors is chosen, it requires formal organization and documentation. It is far too easy to lose grains and pieces of information, so even their collecting together alone provides undeniable benefits. Competitor analysis is too important to conduct it unsystematically (Cherevko, 2004).

However, creating a marketing information system can be difficult. Large initial investment of time and human resources, great difficulties may be connected with the creation of the system (Poluneev, 2006).

Market research information system is complex and manifold. It is closely linked with the system of communication relations of the company. There is a mutually beneficial exchange of information with suppliers, resellers, and, to a certain extent, with consumers (in particular, the consumer should receive comprehensive advertising information about products and services, about the conditions of selling them, but in exchange, he himself gives information about his own needs and preferences in the form of answers to various types of surveys) (Popov, 2001)

For clarity of the above formulated results of the investigation we propose to consider the ways of improving of the studying of the competition on the external market for the Adidas and Joint Stock Company «Holding Company» «Blitz-Inform» by the way of the implementing such integrated information system as a «KonSi-DATA ENVELOPMENT ANALYSIS». Joint Stock Company «Holding Company» «Blitz-Inform» is the enterprise of the printing industry in Kiev, is one of the leaders of the printing and publishing sector in Ukraine. Adidas is a German multinational corporation that designs and manufactures sports shoes, clothing and accessories headquartered in Herzogenaurach, Bayaria. It is the largest sportswear manufacturer in Europe and the second biggest in the world. KonSi company released software for the assessing of the competitiveness and increasing of the competitiveness on the base of the using the methods Data Envelopment Analysis. The program «KonSi-DATA ENVELOPMENT ANALYSIS for BENCHMARKING» is used since the early days of its release in the broad and diverse sectors for assessing competitiveness of the enterprises. Competitiveness of the enterprises on the international market is estimated by the input and output parameters of competitiveness. Input parameters of the competitiveness are price, quality. Output parameters of the competiveness are image of the company, brand prestige, etc. This program organizes and summarizes data about the investigated object and conducts market segmentation, examines product positioning and forecasts the demand on the products, analyzes portfolio, analyzes, prices on the international

market (Supikhanov, 2007). Let us model a system for studying competitive prices in external market for the Adidas and Joint Stock Company «Holding Company» «Blitz-Inform» on the bases of the using the «KonSi - DATA ENVELOPMENT ANALYSIS» (Fig. 1).

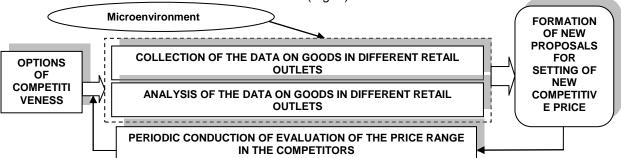


Fig. 1. Model for studying competitive prices in external market *Source*: own development

Let us consider each of the blocks of the model (Fig. 1) in more detail. To study the prices, a form, in which products in different outlets are listed and prices are recorded, is developed. Employees record in the forms the prices for the products. Collecting data on the products traded by the competitors takes place.

The information collected is entered into the computer. The prices are subjected to general analysis.

The analyst formulates his proposals as for establishing new competitive prices. He prepares a report for the management of the firm on the price situation. Studying the prices of the competitors and preparing a report on the state of the competitors' prices is performed with established periodicity. Using Price Benchmarking (simple) software, the analyst, to study the price situation, can do the following:

- create lists of goods studied to divide them into product groups;
- create a price and quality description of the products in each product group;
- create a list of competitors studied;
- prepare a form for collecting information on prices;
- enter into the computer information about the prices of goods in different outlets taken from filled out paper forms;
- rapidly conduct real time analysis of the range of goods and of the prices of each product;
- calculate for competitors price deviations in absolute and relative terms (deviation in percent);
- plan a new price of a product taking into account data obtained from auditing the competition situation;
- prepare a report on auditing the range of goods and the prices of competitors; include in the report his own suggestions concerning changing prices for the company's own products.

It necessary to hover a pessimistic variant of the implementation on the Adidas and Joint Stock Company «Holding Company» «Blitz-Inform» integrated information system «KonSi - DATA ENVELOPMENT ANALYSIS for BENCHMARKING» it lies in the following that made products will not have competitors and leadership of the enterprise is notable to monitor and respond quickly on the changes in the competitive environment.

As for the optimistic forecast of the implementation on the Adidas and Joint Stock Company «Holding Company» «Blitz-Inform» integrated information system «KonSi - DATA ENVELOPMENT ANALYSIS for BENCHMARKING», the demand for the products will gradually increase.

Among the drawbacks of the implementation on the Adidas and Joint Stock Company «Holding Company» «Blitz-Inform» of the integrated information system «KonSi - DATA ENVELOPMENT ANALYSIS for BENCHMARKING» are necessity of a long time for the implementation (at least a year) and large capital investments.

**Conclusion.** Thus, implementing integrated information systems for studying competition in external market opens up many new opportunities for the company. It organizes and summarizes data on the object studied and conducts market segmentation, studies product positioning and forecasting demand for products, analyzes the range of goods, analyzes prices in external market. Moreover, the formation of integrated information systems on enterprises promotes to the proper selection of tools for the providing a correct

assessment of their competitive potential, competitive position in the market, behavior of competitors, characteristics of goods and services and other important factors.

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