Marketing Strategies Ensuring the Competitiveness of Enterprises in the Trading Sphere

Dorofeeva A.A.
V.I. Vernadsky Crimean Federal University
Yalta, Russia
andora.kfu@mail.ru

Nyurenberger L.B.
Novosibirsk State University of Economics and Management
Novosibirsk, Russia
l.b.nyurenberger@nsuem.ru

Abstract — The article discusses theoretical and methodological approaches to ensuring strategic competitiveness and the formation of competitive strategies for retailers, taking into account the growing role of e-commerce. The authors proposed a methodical approach to justifying the choice of a competitive strategy for retailers and the organizational and economic mechanism for strategic management of enterprises' competitiveness based on a study of existing models for ensuring the competitiveness of retailers, including through the introduction of elements of the digital economy.

Keywords — retail trade, trade development strategy, e-commerce, marketing strategies, management, innovation.

I. PROBLEM STATEMENT

The analysis of an economic situation in the domestic market confirms increase of a role of the competition between the enterprises of retail trade. Modern scientific research of competitiveness of the enterprises is concentrated mainly in the field of financial and material competitive advantages while the competition leaves the sphere of resources and is developed towards competitive strategy.

Proposed model for achieving strategic competitiveness of retail businesses developed in accordance with the fact that the trade is viewed as a dynamic economic system, with the main tendencies and strategic directions development.

Achievement of reasonable result requires stage-by-stage design of process of formation of competitive strategy of the enterprises of retail trade in the unified look, since classification, the analysis of data on market strategy, statement of strategic objectives, definition of key performance indicators, assessment of level of competitiveness, formation of the organizational and economic mechanism of management of competitiveness and strategic control.

II. MAIN CONTENT

Creation of model of ensuring strategic competitiveness of the enterprises of retail trade assumes validity of each step of design, detailed study of the general requirements to the enterprises of services sector of retail trade and the subsequent combination of specific features in separate groups of companies for definition of a vector of development. On the first two steps of an algorithm it is necessary to classify the enterprise and to carry out the analysis of features of corporate strategy — the validity of process of the choice is reached by studying of the factors of corporate strategy influencing creation of conceptual model of competitiveness.

Stage 1. The classification of the company. There are classicizing of the enterprises of retail trade by the most different criteria: from a format, width of an assortment matrix, territorial arrangement and a target consumer segment [4].

Some authors identify additional criteria for distinguishing retailers: methods of sales, trading and complementary criteria that allow to differentiate the company in the legal form, the set of functional features (fixed, mobile, seasonal, mail order and Commission) [1].

The review of the existing approaches to classification of the enterprises of retail trade allows to draw a conclusion that most of them does not answer current trends of development of the sphere of trade and problems of creation of conceptual model of ensuring strategic competitiveness of the enterprises of retail trade. As a result of a research five criteria of classification were marked out:

- the dependence on market participants;
- territorial scale;
- formats of sales;
- sales channels;
- price segments of the market.

Stage 2. Collecting and analysis of data on market strategy. Results of classification of the enterprises of retail trade allow to understand what aspects of economic activity of the enterprise need to be subjected to the deep analysis.

Seriously complicate the task may be the lack of clear and measurable goals of economic activities of the company (or the absence of one such goal, namely profit target).

You need to answer the question about the presence of a clearly defined corporate strategy of the retailer. Very often, a company realizes the strategy a set of specific rules of action in the market, established over many years, constant increasing and annual marketing activities.

In case of the negative answer to this question, creation of conceptual model of ensuring strategic competitiveness of the enterprise it is necessary to postpone until time of formation of this strategy. If the answer to the question raised above is positive, then it is possible to start the analysis of a strategic direction of the enterprise of retail trade.

Stage 3. Definition of groups of companies for creation of model of ensuring strategic competitiveness.
Design and realization of competitive strategy have to be based on provisions of own development strategy of the enterprises of retail trade, features business - activity. The simple analysis of the current and planned volumes of commodity turnover and structure of expenses is not enough to direct trade activity of the company, providing improvement of its competitive positions and achievement of long-term strategic objectives. Development of competitive strategy stops being just the solution of a mathematical task – it is formed as a result of synthesis of the market strategy, the most applicable to each of the similar groups of companies of retail trade united within the uniform formalized decision-making model.

The competitive strategy of the enterprises of retail trade can be created only on the basis of the deep analysis and comparison of strategic objectives and a strategic direction, features of its realization in several measurements – measurements "The territorial scale of activity", "Trade formats", "Channels of trade", "A price segment". Such approach more than is justified – its justice directly follows from difficult and complex development strategies of the enterprises of retail trade and current trends of development of the Russian market.

On the basis of studying of information on the market strategy of the enterprises of retail trade of the Russian Federation in the specified parameters the following was allocated.

Two groups on the Territorial Scale parameter with various characteristics of parameters:
- group 1 "Central, Volga and Siberian regions": the highest concentration of shops, 16 open RTs (among which 5 own), increased requirements to the level of service, more than 50% of total number of shops of formats discounter and supermarket;
- group 2 "other sales regions" South, Northwest, North Caucasus, far East and Ural have reduced requirements to level of service, smaller number of stores, the priority of the lease of storage capacity.
- format "discounter": the purpose of competitive strategy – minimization of expenses by economy on rent, the salary of personnel, transport and warehouse expenses;
- "street retail" format: the purpose of competitive strategy – optimization of profit and expenses by means of the maximum satisfaction of demand of the potential buyers who are in proximity;
- format "supermarket": the purpose of competitive strategy – quality observance of goods, high level of service of buyers, the maximum ensuring additional services and service, availability in stocks of shops of all sizes of shoe products and goods of the other range;
- "leader" format: the purpose of competitive strategy – achievement of high rates of sales and speed of a trade, emphasis on optimization of floor spaces (the excess areas can be used for realization of the shop-in-shop format), the exclusive range, a wide assortment matrix;
- "shoes boutique" format: the purpose of competitive strategy – receiving the raised margin at the expense of satisfaction of individual demand for the ultrafashionable collections released in limited quantity;

Three categories in the Channels of Trade parameter:
- network retail shops: satisfaction of needs of buyers of a certain age category with various financial opportunities and requirements, the format of shop determined by a framework;
- multichannel trade of e-commerce: a main objective – saving of time of buyers and also optimization of expenses of trade enterprise;
- catalog trade: a main objective - satisfaction of needs of wealthy housewives for fashionable textile goods for the house.

In the Price Segment parameter, it is necessary to mark out two categories with various parameters: low-price segment; medieval segment.

Considering the list of the considered price segments, territorial scale, formats and channels of trade given above and also their features 6 groups of the retail enterprises characterized by specific features (tab. 1) can be allocated.

<table>
<thead>
<tr>
<th>№gr</th>
<th>Territorial scale</th>
<th>Trade format</th>
<th>Channels of trade</th>
<th>Price segment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Central+ Volga+ Siberian</td>
<td>&quot;Discounter&quot;</td>
<td>Network retail shops + e-commerce</td>
<td>Low-price</td>
</tr>
<tr>
<td>2</td>
<td>Others regions</td>
<td>&quot;Discounter&quot;</td>
<td>Network retail shops + e-commerce</td>
<td>Low-price</td>
</tr>
<tr>
<td>3</td>
<td>All regions</td>
<td>&quot;Street retail&quot;</td>
<td>Network retail shops + e-commerce</td>
<td>Low-price</td>
</tr>
<tr>
<td>4</td>
<td>All regions</td>
<td>Supermarket</td>
<td>Network retail shops + e-commerce</td>
<td>Low-price + medieval</td>
</tr>
<tr>
<td>5</td>
<td>All regions</td>
<td>&quot;Leader&quot;</td>
<td>Network retail shops + e-commerce + catalogs</td>
<td>Medieval</td>
</tr>
<tr>
<td>6</td>
<td>All regions</td>
<td>&quot;Shoes boutique&quot;</td>
<td>Network retail shops + e-commerce + catalogs</td>
<td>Medieval+</td>
</tr>
</tbody>
</table>

Stage 4. Choice of competitive strategy for groups of companies.

The analysis of publications of foreign and domestic experts in the field of competitiveness [3, 5, 8, 9] allowed to allocate a number of the most known, successfully realized approaches to ensuring competitiveness:

- strategy of minimization of expenses of M. Porter;
- “niche” strategy;
- community (adaptive) strategy;
- “pioneer” strategy;
- the strategy of differentiation from competitors;
- strategy of customer focus.

Characteristics of sizes of territorial scale, price segment, format and channels of trade of which this subset of objects is formed will be a reference point for the choice of competitive strategy.

For example, the strategic objective of a format discounter consists guarantees of minimum prices of goods in the considered region, the right choice is the strategy of minimization of joint costs assuming restrictions for quality and level of service.

In the case where strategic goal of the format is highly flexible satisfaction of the needs of the market, for the stores of
such format as "street retail" will be recommended commutata (adaptive) strategy. This strategy is ideal for small businesses in retail services located in close proximity to public transport. These firms have several advantages: they are easy to sharp changes in product structure and pricing, and increased flexibility becomes a source of strength in the competition.

In the case the strategic objective of a format of trade serves high level of service of buyers who agree to incur additional financial expenses for more fashionable products, and a guarantee of existence of necessary goods in assortment, for the enterprises of the sphere of trade retail services of such format as supermarket, it is possible to use the strategy of customer focus in a combination to the strategy of differentiation from competitors.

At realization it is necessary to develop strategies of customer focus a complex of actions for interaction with buyers and to creation of productive dialogue with them. Orientation to the buyer is the main competitive advantage of the trading company and means of differentiation from competitors.

Within the strategy of differentiation from competitors such mechanisms as positioning, branding, the price of goods, an innovation, and other tools considering strong and weaknesses of competitors for creation of own successful base of a business model are put in action. The successful combination of the listed above tools allows the enterprise of retail services to turn shortcomings and weaknesses of competitors into the advantages, to increase the number of loyal buyers.

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Finally, if we are talking about the format of "shoes boutique", which is usually expensive and high-quality products that are designed for those who are not satisfied with standard products, patent (niche) strategy. This strategy is typical for firms pursuing a path of specialization. It must be remembered that taking into account the special needs of the consumer, the advantages are on the side of small and medium-sized commercial enterprises, who dedicated all his activities to study and respond to the specific needs of their potential buyers.

Stage 5. Statement of strategic objectives and definition of key indicators of competitiveness of the enterprises of retail trade.

At this stage it is necessary to draw conclusions on a possibility of application of the competitive strategy reflecting features of each enterprise of retail trade.

For realization of competitive strategy of the studied enterprises of retail trade it is possible to allocate the main strategic objectives:
- increase in a share of the market;
- increase in efficiency of trade activity;
- increase in commodity turnover;
- increase in labor productivity of personnel;
- optimization of expenses;
- strengthening of force of a brand.

Strategic objectives are interconnected with key factors of success. For example, increase in a share of the market is connected with the profitability level, optimization of expenses, speeds of the address of money. In turn, the labor productivity is directly connected with qualification of personnel and the system of motivation.

Stage 6. Assessment of competitiveness of the enterprises of retail trade.

The possibility of management of competitiveness of the enterprises of retail trade is implemented at creation of model of its assessment.

The differentiated approaches to assessment of competitiveness of the enterprises of retail trade assume use of quantitative and quality indicators.

Let's address model Saw – Woolf where the sales volume of $V(t)$ is the solution of the differential equation:

$$\frac{dV(t)}{dt} = KU(t) \left(1 - \frac{V(t)}{M}\right) - bV(t) \quad (1)$$

Here $M$ - the greatest possible sales volume, $b$ - the coefficient describing decrease of sales in the absence of investments into e-commerce ($U(t) = 0$), $U(t)$ - investments into e-commerce, $K$ - proportionality coefficient.

Let $U(t) = U_0 = const$, then the equation $(1)$ will take a form:

$$\frac{dV(t)}{dt} = -\left(\frac{KU_0}{M} + b\right)\left(V - \frac{KU_0}{M}\right) \quad (2)$$

The solution of the equation $(2)$ has an appearance:

$$V(t) = \frac{KU_0}{M} + b \left(\frac{KU_0}{M}\right)e^{\frac{KU_0}{M}}$$

The price of goods or service of $p$ is the solution of the equation:

$$\frac{dp}{dt} = \gamma \left(D(p) - S(p)\right) \quad (4)$$

Here demand function $D(p) = \frac{A}{p}$, and supply function $S(p) = Bp$. Then the equation $(4)$ takes a form:
\[
\frac{dp}{dt} = \gamma \left( \frac{A}{p} - Bp \right) \tag{5}
\]

Multiplying the right and left member of equation (5) by \( p \), we will receive:

\[
p \frac{dp}{dt} = \frac{d}{dt} \left( \frac{p^2}{2} \right) = \gamma p \left( \frac{A}{p} - Bp \right) = -\gamma \left( Bp^2 - A \right) \tag{6}
\]

Integrating the equation (6), we will receive:

\[-\gamma t = \frac{1}{2B} \ln \frac{Bp^2(t) - A}{Bp^2(0) - A} \tag{7}\]

The solution of the equation (7) has an appearance:

\[p(t) = \sqrt{\frac{A}{B} + \left( p^2(0) - \frac{A}{B} \right) e^{-2\gamma Bt}} \tag{8}\]

Thus income from sale of goods or services of \( Q \) during \( T \) (within this model) has an appearance:

\[Q = \int_0^T \sqrt{\frac{A}{B} + \left( p^2(0) - \frac{A}{B} \right) e^{-2\gamma Bt}} \times \left[ \frac{KU_0}{M + b} + \frac{V(0) - \frac{KU_0}{M + b}}{e^{-\gamma Bt} - 1} \right] d\theta \tag{9}\]

Stage 7. Formation of the organizational and economic mechanism of management of competitiveness.

The organizational and economic mechanism of strategic management of competitiveness of the enterprises of retail trade carries out transformation of strategic objectives to the final result at the most effective of all alternative options of use of strategic capacity of the enterprise, including: financial opportunities, trade potential, competitiveness of the sold products, the labor potential, material potential, competitiveness of a brand. For realization of the set strategic objectives the corresponding principles and methods of achievement of the goals are created; strategic providing is provided, including: information, methodological, standard and legal; organizational-economic actions for providing and strategic management of competitiveness are developed.

Formation of the organizational and economic mechanism of strategic management of competitiveness of the enterprise of retail trade promotes increase in stability of business, strengthening of business reputation and force of a brand.

So, we can draw undermentioned conclusion.

III. CONCLUSIONS

Thus, the offered technique of assessment of competitiveness of the enterprises of retail trade, allows to reveal quickly parameters, impact on which will allow to strengthen market positions and to force out competitors. Proceeding from the received conclusions, it is necessary to carry out updating of management decisions.

References


