

KVIATKO T. M., PhD, Associate Professor

RUDENKO S. V., PhD

Kharkiv Petro Vasylenko National Technical University of Agriculture

MYKOLENKO I. G., PhD, Associate Professor

Poltava State Agrarian Academy

STRATEGIC MANAGEMENT CONCEPTUAL PRINCIPLES OF AGRICULTURAL ENTERPRISES COMPETITIVE BEHAVIOR

Kviatko T. M., Rudenko S. V., Mykolenko I. G. Strategic management conceptual principles of agricultural enterprises competitive behavior.

The article is devoted to identification of the scientific achievements of the competition theories and the principles of their implementation in the management of competitive behavior of agrarian enterprises in the target markets for product sales. It was also found that the latest stage in the development of scientific interpretations of competition actually synthesizes and partly modifies the basic provisions of the classical and neoclassical stages of the formation of the theory of competition, accumulates specific scientific results and forms the theoretical basis for further research of the theory of competition. The success of the economic entities in the competition and maintaining the leading position in the target markets in the future depends on the ability to effectively apply competitive behavior strategies in accordance with the types of competitive structures of the target markets, given the level of development of their economic potential and the consideration of situational factors.

Key words: strategic management, competitive behavior, agricultural enterprises, competitive structures.

Formulation of the problem. In the context of the actualization of processes related to the reorientation of the agrarian sector towards the innovative model of development, there is a need to identify and use competitive advantages that are in line with the post-industrial structure and take into account the sector specificity of national commodity producers. The definition and development of competitive advantages, optimization on their basis of economic activity, promote more efficient use of economic potential and rationalization of the behavior of the subjects of the spheres of production, circulation and distribution of products.

At the same time, the dynamic conditions of the market environment require the subjects of economic relations to adapt to these changes, as well as the ability to conquer and strengthen their positions in a particular target market. This causes the need for in-depth study of the issues of implementation of the achievements of modern competition theories in the studies of economic relations and in the practice of their entities due to the complexity of these processes and the multiplicity of phenomena.

In turn, the differentiation of modern theories of competition in socio-economic systems and the challenges created by the functioning of food markets against the backdrop of deepening of economic integration and globalization processes require a balanced assessment and development of methodological approaches and approaches to the study of

competitive phenomena and processes, the basis of which laid down in the aforementioned theories.

Analysis of recent research and publications. The issue of the development of competition, the impact of the peculiarities of market structures on the behavior of entities both at the international level and at the level of the national economy and its individual sectors were devoted to their work by numerous economists, but the most significant contribution to the development of competition theories were made by such leading scientists as A. Smith, D. Ricardo, J. Mill, K. Marx, K. Menger, L. Walras, A. Marshall, V. Pareto, E. Chamberlin, J. Robinson, J. M. Keynes, M. Porter and other researchers.

However, scientists have not reached consensus on the categorical apparatus used in research, the methodology of assessing the level of competitiveness of a particular type of agricultural products, and the methodology for calculating the competitiveness of an individual enterprise or industry as a whole. The presence of certain inconsistencies, issues that have not been adequately covered at the theoretical level, actualizes the continuation of theoretical research in this direction.

The purpose of the article. The purpose of this publication is to identify the scientific achievements of the competition theories and the principles of their implementation in the management of competitive behavior of

agrarian enterprises in the target markets for product sales.

Main results of the study. The founder of theoretical and methodological study of competition is the representative of the classical school of political economy Adam Smith, who first used the category of "competition" in the process of studying economic phenomena, determined its role and place in the development of a market economy, substantiated the factors influencing it, explained the connection ' competitive with supply and demand on the market, noting that prices are a decisive factor in the competition [1].

Another representative of the classical political economy, who investigated competition in the development of economic relations, was David Ricardo, who considered competition as a prerequisite for market pricing [2]. In the Ricardo model, the key is that prices are formed on the market under the influence of demand and supply as a result of competition. Thus, scientist has been justified options for solving the problem of long-term effectiveness of enterprise development in conditions of perfect competition.

From other positions investigated competition in the middle of XIX century in the conditions of developed capitalism Karl Marx, who saw in it the system of relations between individual capitals. He believed the functioning of commodity economy is impossible without a mechanism of competition, which forms the basis of market cost and prices.

Author of the model of economic equilibrium Leon Walras is one of the founders of modern economic science. The model was built on the principles of subjective utility, the assumption of the continuity of the production process, the certainty that all economic entities can be divided into owners of production services and entrepreneurs [3]. L. Walras was able to thoroughly explain the existence of economic ties between these two groups of entities through the system of interconnected equations.

Significant influence on the development of economic science was made by Vilfredo Pareto. In the processes of formation and development of competitive relations V. Pareto analyzed not only perfect competition, but also other types of market structures and came to the conclusion that the optimum state of the economy depends on achieving a competitive equilibrium.

The relationship between innovations and competition and the influence of innovation

policy on the development of competitive relations was first shown by Joseph Schumpeter. He believed that any innovation generates a situation of monopolistic competition, while the mechanism of competition is displacing from the market of enterprises that use obsolete technologies and create uncompetitive products. Competition is the driving force behind the creation of new products, technologies, types of organizational structures. The presence of perfect competition, according to J. Schumpeter, in the market is undesirable, because the industries that are close to this type of competition are more likely to be exposed to crises and market fluctuations.

Edward Chamberlain proposed a theory of Monopolistic competition in which he substantiated the idea of synthesis of competition and monopoly. Monopolistic competition is a mechanism that most effectively satisfy the growing needs of society. The scientist not only substantiated price forms of competition but also determined non-price ones: product differentiation, advertising, improvement of firm reputation, which in the modern market economy influence on the efficiency of the economic entities. E. Chamberlain rejected the possibility of state interference in the market process, everything that happens in the market - a natural process of development of a market situation, the intervention in it means the deviation from the optimal market conditions.

Mrs. Joan Robinson proposed the Imperfect competition theory as an alternative to the theory of Perfect competition, the subject of research of which is the behavior of large companies - oligopolies. Also, the author introduced the category of "discrimination in prices" into economic science. Investigating the monopoly, J. Robinson identified areas in which competition is impossible due to technological features: gas industry, electricity, rail transport (later these industries will be considered "natural monopolies") [4]. It is thanks to the works of E. Chamberlain and J. Robinson that the model of perfect competition has changed by the theories of imperfect and monopolistic competitions.

The economic crisis of the early twentieth century confirmed the ineffectiveness of theoretical approaches to non-interference of the state in the market process. As a result, J.M. Keynes criticized the theory of market self-regulation and proposed an alternative approach that substantiated the need for state interference in competition process [5].

John.K. Galbraith investigated the specifics of modern competition of large corporations within the industrial direction of institutional theory. The scientist has found out that large corporations are forming an industrial system by controlling the prices, costs and behavior of consumers, and small enterprises that cannot influence these factors are components of the market system. For the effective functioning of all components of the state, in the opinion of the author, is obliged to interfere in the market process. Also, J.K. Galbraith believed that the presence of perfect competition on the market is impossible in the presence of corporations.

The founder of the theory of Human capital Gary S. Becker, believed that the costs for developing the knowledge and skills of employees are equivalent to investments in the acquisition and creation of the newest equipment and technologies, and in the future, they can provide high profitability not only to the company, but also to the whole society. Explaining the economic feasibility of this view, the scientist concluded that the special training of specialists forms the appropriate features of the company behavior in the market, know-how, image and brand, which is one of the main advantages of the economic entity in the competition.

Thus, to the middle of the twentieth century in the theory of competition, two stages of its development were formed: classical and neoclassical. However, the rapid development of competitive relations between business entities required the solution of new practical issues, which in the future determined the development of the theory of competition in the second half of the 20th century and turn of 21st century.

At the end of the twentieth century in the theory of competition, Michael E. Porter's work appears to determine the competitive advantages of nations and companies, gaining leading positions in the market and in the industry. Based on the results of the analysis of the achievements of various economic schools, he developed a model of the five competitive forces that, in his opinion, actually formed the structure of the industry, introduced the concept of "cluster" into economic science, and also proposed a system of indicators (competitive diamond or diamond Porter), on the basis of which one can determine the reasons for the success of certain countries in the international sectoral competition [6].

In his research, Israel M. Kirzner tried to find out what influence and what role does a private entrepreneur carry out on the

development of competitive relationships. So the scientist came to the conclusion that a producer who has information and has access to new innovative developments, in order to obtain the maximum benefit, is able to create new areas of activity, change the existing conditions of competition in the industry and control the changes in the level of prices in the market.

G. Hamel and C. K. Prahalad considered in the competition the problems of conquering the leading positions of large companies in the industry. To the main factors of competitive advantages, the researchers referred intellectual leadership and combining the company's internal unique resources. G. Hamel and C.K. Prahalad proposed a theory of core competences, as well as in economic science introduced the notion of "strategic intentions" and "strategic architecture". However, the position of scientific economists in the scientific world has repeatedly been subjected to sharp criticism due to the complexity of theory and maximalism, because their positions were practically unrealistic for middle-level companies.

Analyzing the development of competition theory, it is impossible to ignore the works of Michael Treacy and Fred Wiersema in economic science. Thus, the researchers found that in order to achieve the leading position in the company's market, one should choose one strategy or "value discipline" (industrial efficiency, product leadership, proximity to the consumer) and achieve complete perfection in it. The choice of strategy must be maximized and well thought out, otherwise the company may lose its market share or go bankrupt at all. However, we believe that the main problem in implementing this theory in practice is that under the dynamic conditions of a company's market development it is necessary to take into account all the changes and adapt to them, but in the case of the choice of one strategy for a long period it is practically impossible.

In the mid-1990s, the papers of scholars began to appear in the economic space, which questioned the correctness of this approach concerning to the competition process. One such scholar was James F. Moore, who believed that in the modern economic environment, primacy belongs to innovators.

In fact, virtually all enterprises can achieve financial success in the event of timely introduction of product innovations. However, there is one feature that companies must take into account in order to ensure this event occurs. The basis of the theory of business

ecosystems is the idea that the driving force of the economic system is not only traditional competition ("forehead in the forehead"), but also evolution, cooperation and interdependence.

The scientist considers the company as an element of the ecosystem, which includes owners, other stakeholders and large structural associations, whose views must always be taken into account (ministries, associations, organizations), in which competition and evolution (co-evolution) develop together.

Under such conditions, companies, in order to succeed on the market, need to develop a strategy that takes into account the conditions of the environment, combining elements of competition and cooperation of all components of the ecosystem. However, the effectiveness of the strategy over time is reduced and the company can at any moment lose its leading position in the industry, this can be avoided only through the creation and use of adaptation mechanisms.

Recently, modernized competition theories, which focus on creating new markets, began to emerge in economic science. For example, Clayton Christensen developed a theory of Disruptive innovation, which showed the effects of the impact of new technologies and products on the company's activities.

In his research R.M. Kanter concluded that the presence of "digital" and "electronic" corporate culture reinforces the company's position on the market. Allows economic entities to quickly adapt to possible changes and eliminate their mistakes in real time, which is especially valuable in uncertainty.

W. Chan Kim and Renée Mauborgne emphasize that in order to succeed, companies need to create new markets / niche markets, based on the introduction of innovative developments, free from competitors, and not lose their resources in competition in traditional markets (the "Blue ocean strategy")

The variety of conceptual approaches to the interpretation of the essence of competitive relations, which are complex, multi-faceted and multi-level, in fact, necessitates the use of a certain typology and systematization of the management of the development of economic entities in the context of stabilizing the latter.

Research shows the most acceptable solving this problem is the substantiation of standardized strategies of development and adaptation of entities to the conditions of target markets for sale products, with further detail and specification of managerial decisions, taking into account the level of development of their economic potential and taking into account situational factors (Fig.1).

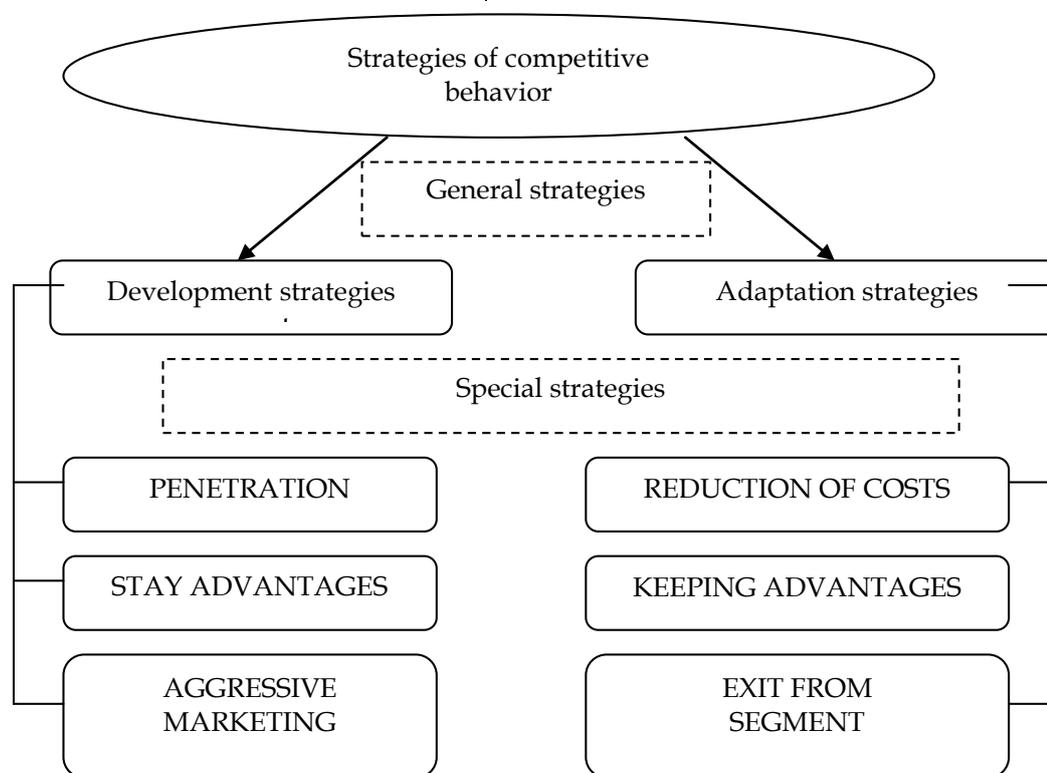


Fig. 1. The process of detailing the strategies of competitive behavior of enterprises-commodity producers in the target commodity markets of products *

Dedicated detailed strategies can be used in markets differentiated in their competitive construction. At the same time, individual strategies can be used more successfully in conditions of some competitive structures but do not bring proper results in other ones.

On the study determined the relevance of detailed strategies for competitive behavior to type of the competitive structure for the target commodity market of products of enterprise (Table 1).

Table 1

Compliance with detailed strategies of competitive behavior of enterprise to the types of competitive structure of the target commodity market *

Types of competitive structures	Strategies	
	Development	Adaptation
Perfect competition	Penetration Aggressive marketing	Reduction of costs Keeping of advantages
Monopolistic competition	Penetration Sustainable advantages	Keeping of advantages Exit from segment
Oligopoly	Sustainable advantages	Keeping of advantages
Monopoly	Aggressive marketing	Keeping of advantages
Oligopsony	Penetration	Reduction of costs
Monopsony	Penetration	Reduction of costs

It should be noted that the competitive construction of target markets is also not stable, although the period of its fluctuations is much longer than the length of the production and commercial cycle and may even exceed the duration of certain stages of the product's life cycle [7].

Accordingly, the shift in the structure of the competitive construction of the target market significantly affects the portfolio of

enterprise strategies and the profile of its market behavior. The specified causes the scientific and applied significance of the outlined methodological approach to establish the relationship of the objective process of competitive development of the target market with the process of generating and implementing detailed strategies of competitive behavior aimed at increasing the economic efficiency of the enterprise and prolonging its presence in one or another market.

Conclusions. The obtained research results allowed to determine the contribution of the considered concepts in the formation and development of the theory of competition under the current conditions of economic development. It was also found that the latest stage in the development of scientific interpretations of competition actually synthesizes and partly modifies the basic provisions of the classical and neoclassical stages of the formation of the theory of competition, accumulates specific scientific results and forms the theoretical basis for further research of the theory of competition.

In turn, the complexity of economic research of competitive relations is also in the presence of a large number of different conceptual approaches to the interpretation of their essence, which require a mandatory systematization.

At present, the success of the economic entities in the competition and maintaining the leading position in the target markets in the future depends on the ability to effectively apply competitive behavior strategies in accordance with the types of competitive structures of the target markets, given the level of development of their economic potential and the consideration of situational factors.

Література.

1. *Смит А.* Исследование о природе и причинах богатства народов / *А. Смит*; пер.: *А. Щербаков*. – Москва: Ленанд, 2017. – 864 с.
2. *Рикардо Д.* Начала политической экономии и налогового обложения. Избранное / *Д. Рикардо*; пер.: П.Н. Клюкин. – Москва: Эксмо, 2012. – 957 с.
3. *Вальрас Л.* Элементы чистой политической экономии. / *Л. Вальрас*; пер.: *И. Егоров, А. Белянин*. – Москва: Изограф, 2000. – 448 с.
4. *Робинсон Дж.* Экономическая теория несовершенной конкуренции / *Дж. Робинсон*; пер.: А. Фонов. – Москва: Прогресс, 1986. – 472 с.
5. *Квятко Т. М.* Генезис теорій конкуренції та прикладні засади їх імплементації в інноваційно-інвестиційному розвитку соціально-економічних систем / *Т. М. Квятко, Н. І. Рижикова* // Актуальні проблеми інноваційної економіки. – 2017. – № 4. – С. 45–54.
6. *Портер М.* Конкурентное преимущество. Как достичь высокого результата и обеспечить его устойчивость / *М. Портер*; пер.: Е. Калинина. – Москва: Альпина Паблишер, 2008. – 720 с.
7. *Красноруцький О. О.* Системи управління збутовою діяльністю аграрних підприємств: стратегія, механізми, інструментарій: монографія / *О. О. Красноруцький*. – Херсон: Гринь Д.С, 2012. 348 с.

References.

1. Smit A. (2017). Issledovanie o prirode i prichinah bogatstva narodov [An Inquiry into the Nature and Causes of the Wealth of Nations]. (A. Scherbakov. Trans). Moscow: Lenand, p. 864 [in Russian].
2. Rikardo D. (2012). Nachala politicheskoy ekonomii i nalogooblozheniya. Izbrannoe [Principles of Political Economy and Taxation. Selected Works]. (P.N. Klyukin. Trans). Moscow: Eksmo, p. 957 [in Russian].
3. Valras L. (2000) Elementyi chistoy politicheskoy ekonomii [Elements d'economie politique pure]. (I. Egorov, A. Belyanin. Trans). Moscow: Izograf, p. 448 [in Russian].
4. Robinson Dzh. (1986). Ekonomicheskaya teoriya nesovershennoy konkurentsii [The Economics of Imperfect Competition]. (A. Fonov. Trans). Moscow: Progress, p. 350 [in Russian].
5. Kviatko T. M., Ryzhikova N. I. (2017). Henezys teorii konkurentsii ta prykladni zasady yikh implementatsii v innovatsiino-investytsiinomu rozvytku sotsialno-ekonomichnykh system [Genesis of the Theory of Competition and Applied Fundamentals of their Implementation in the Innovation-Investment Development of Socio-Economic Systems]. Aktualni problemy innovatsiinoi ekonomiky, No 4, pp. 45-54 [in Ukrainian].
6. Porter M. (2008). Konkurentnoe preimushchestvo: Kak dostich vyisokogo rezultata i obespechit ego ustoychivost [Competitive Advantage: Creating and Sustaining Superior Performance]. Moscow: Alpina Pabliisher, p. 720 [in Russian].
7. Krasnorutskiy O. O. (2012). Systemy upravlinnia zbutovoiu diialnistiu ahrarnykh pidpriemstv: stratehiia, mekhanizmy, instrumentarii [Management systems of sales activity of agrarian enterprises: strategy, mechanisms, tools]. Kherson: Hrin' D.S, p. 348 [in Ukrainian].

Анотація.

Квятко Т. М., Руденко С. В., Миколенко І. Г. Концептуальні принципи стратегічного управління конкурентною поведінкою сільськогосподарських підприємств.

Стаття присвячена визначенню наукових досягнень теорії конкуренції та принципів їх реалізації в управлінні конкурентоспроможною поведінкою аграрних підприємств на цільових ринках продажів продукції. Виявлено, що останній етап у розвитку наукових інтерпретацій конкуренції фактично синтезує і частково змінює основні положення класичного та неокласичного етапів формування теорії конкуренції, акумулює конкретні наукові результати і формує теоретичні основи для подальшого дослідження теорії конкуренції. Встановлено, що успіх суб'єктів господарювання у конкурентній боротьбі та підтримання лідируючих позицій на цільових ринках у майбутньому залежить від здатності ефективно застосовувати стратегії конкурентної поведінки відповідно до типів конкурентних структур цільових ринків з огляду на рівень розвитку їх економічний потенціал та розгляд ситуативних факторів.

Ключові слова: стратегічне управління, конкурентна поведінка, сільськогосподарські підприємства, конкурентні структури.

Аннотация.

Квятко Т. М., Руденко С. В., Миколенко И. Г. Концептуальные принципы стратегического управления конкурентным поведением сельскохозяйственных предприятий.

Статья посвящена определению научных достижений теории конкуренции и принципов их реализации в управлении конкурентоспособным поведением аграрных предприятий на целевых рынках продаж продукции. Выявлено, что последний этап в развитии научных интерпретаций конкуренции фактически синтезирует и частично изменяет основные положения классического и неоклассического этапов формирования теории конкуренции, аккумулирует конкретные научные результаты и формирует теоретические основы для дальнейшего исследования теории конкуренции. Установлено, что успех субъектов хозяйствования в конкурентной борьбе и поддержания лидирующих позиций на целевых рынках в будущем зависит от способности эффективно применять стратегии конкурентного поведения в соответствии с типами конкурентных структур целевых рынков, учитывая уровень развития их экономического потенциала и рассмотрение ситуативных факторов.

Ключевые слова: стратегический менеджмент, конкурентное поведение, сельскохозяйственные предприятия, конкурентные структуры.

Стаття надійшла до редакції 06.03.2018 р.

Бібліографічний опис статті:

Квятко Т. М. Концептуальні принципи стратегічного управління конкурентною поведінкою сільськогосподарських підприємств / Т. М. Квятко, С. В. Руденко, І. Г. Миколенко // Актуальні проблеми інноваційної економіки. – 2018. – № 2. – С. 48-53.

Kviatko T. M., Rudenko S. V., Mykolenko I. G. Strategic management conceptual principles of agricultural enterprises competitive behavior. Actual problems of innovative economy, No 2, pp. 48-53.