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Liudmyla M. Hanushchak-Yefimenko, Mariana S. Shkoda, Tejmur A. Kasumov Kyiv National University of Technologies and Design, Ukraine THE BENEFIT OF THE SELLING PROPOSITION UNIQUENESS IN MODERN BUSINESS PROCESS DIVERSIFICATION REALIA FROM THE EUROPEAN INTEGRATION DEVELOPMENT PERSPECTIVE

This article attempts to explore business process diversification in the context of Ukraine's economic growth from the European integration perspective. The study focuses on one of the five elements that are essential for the aggressive entry of domestic consumer industry enterprises into European markets. A comparative analysis of the competitiveness of the TOP-50 world economies was carried out against the TOP-50 countries with the highest GDP per capita. The study provides insights on the structure of the European countries in these ratings which offers implications on practical significance of boosting the competitiveness of business entities in Ukraine as well as the importance of the relevance of investigating the issues of business process diversification in the context of European integration development. The study also discusses a competitiveness concept definition, both in the theoretical domain and within the applied aspect of the methodology for assessing competitiveness by the IMD. Based on the analysis, a new interpretation of competitiveness, more precise, from the applied perspective, has been offered as an integrating concept of business process diversification. Developing the methodological framework laid down in in the first article of the series of publications on the above issue, this study explores only the essence of product uniqueness, however also describing the relationships of product uniqueness and all the four business processes under consideration: quality management, promotion, sales and personnel training. Apart from that, a new interpretation of product uniqueness as a unique selling proposition (USP) is proposed, thus revealing the structure of a uniqueness concept which has not yet been an object of a scientific discourse. In addition, the meaningful content of the uniqueness notion, under both marketing and financial perspectives, as well as from the standpoint of the strategic role of uniqueness for enhancing the nation's industrial, research and intellectual potential has been revealed. Thus, this study offers the foundations for a new, in our opinion, more progressive understanding of the competitiveness and quality management framework through identifying the structure of its constituent elements embedded in the above concept.

**Keywords:** competitiveness; company competitiveness; commercial offer; marketing costs; added value.

# Людмила М. Ганущак-Єфіменко, Мар'яна С. Шкода, Теймур А. Касумов Київський національний університет технологій та дизайну, Україна ЗНАЧЕННЯ УНІКАЛЬНОСТІ ТОРГОВЕЛЬНОЇ ПРОПОЗИЦІЇ В СУЧАСНИХ РЕАЛІЯХ ДИВЕРСИФІКАЦІЇ БІЗНЕС-ПРОЦЕСІВ З УРАХУВАННЯМ ЄВРОІНТЕГРАЦІЙНОГО ВЕКТОРА РОЗВИТКУ

У cmammi досліджується диверсифікація бізнес-процесів цій *умов* євроїнтеграційного вектора розвитку економіки України. Дослідження присвячено одному з п'яти визначальних елементів для агресивного виходу вітчизняних підприємств легкої Проведено промисловості європейські порівняльний на ринки. аналіз конкурентоспроможності ТОП-50 провідних економік світу в порівняльному співвідношенні з ТОП-50 країнами з найвищим ВВП на душу населення. Проаналізовано структуру європейських країн у цих рейтингах, за результатами чого сформовано висновки щодо практичної значущості підвищення конкурентоспроможності суб'єктів господарювання України та актуальності дослідження питань диверсифікації бізнес-процесів в умовах

євроінтеграційного вектора розвитку. Вивчено визначення конкурентоспроможності як у теоретичному аспекті наукових дефініцій, так і в практичному контексті методики оцінювання конкурентоспроможності Всесвітнім Центром Конкурентоспроможності (Institute of Management Development, IMD). За результатами проведеного аналізу виведено нове, з практичного погляду, більш коректне визначення конкурентоспроможності як об'єднуючого поняття диверсифікації бізнес-процесів. Розвиваючи положення системи, закладеній в першій статті циклу публікацій із цієї проблематики, це дослідження розкриває лише суть унікальності товару, проте представлено також і систему взаємозв'язку унікальності товару, з усіма чотирма бізнес-процесами, що розглядається: управління якістю, просування, продаж та підготовка персоналу. Крім того, запропоновано нове визначення унікальності товару – як унікальна торгова пропозиція (unique selling proposition, USP). Розкрито структуру поняття унікальності, що раніше не розглядалася в науці, а також значення унікальності як у маркетинговій та фінансовій площинах, так і з позиції стратегічної ролі унікальності для розвитку виробничого, наукового та інтелектуального потенціалу нації. Отже, це дослідження закладає основи нового, на наш погляд, більш прогресивного розуміння системи управління конкурентоспроможністю та якістю через структуру компонентів, що формують це поняття.

**Ключові слова:** конкурентоспроможність; конкурентоспроможність компанії; комерційна пропозиція; маркетингові витрати; додана вартість.

**Formulation of the problem.** This research lays the foundation for both scientific and practical solutions. The problem of research of uniqueness factor, is an integral part of the problem of diversification of business processes to enter the European market. Thus, the purpose of this study is to examine the uniqueness of the trade offer, its components, and the interrelationship with other components of the business competitiveness system – quality, promotion, sales and personnel.

The attractiveness of European markets is determined by geographical proximity, economic attractiveness and reorientation of logistics schemes in connection with the war on the western direction.

Thus, in a comparative ranking of countries by GDP per capita it can be noted that among the top 50 countries in the world, 60% (30 positions), occupy the European countries.

Ukraine occupies only 95th place in this ranking (Fig. 1).

This ratio makes obvious the fact of expediency of integration into European markets as the markets with greater capacity and solvency.

Although the factor of geographical proximity to European markets does not require evidence, we should also note the strengthening of this factor in connection with the large-scale aggression launched by Russia against Ukraine in February 2022.

The consequences of this aggression can be summarized in two main trends.

The first is the sharp decrease of commodity turnover with the Russian Federation. On Figure 2 you can see a graph of the drop in exports to Russia just one month after the start of the large-scale aggression.

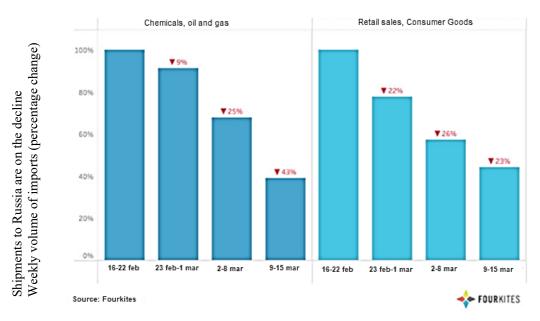
The second trend, the restructuring of logistics schemes, which are caused by the blockage of the northern and eastern borders of Ukraine and ports, as noted by the head of the UN World Food Program David Beazley during the World Economic Forum in Davos.

Thus, considering the totality of the above-mentioned factors allows us to conclude that there is no alternative to the European market for the development of the Ukrainian economy.

Global	Countries	GDP per capita,		ilobal	Countries	GDP per capita,	Global	Countries	GDP per capita,
rank	I	PPP, 2021	r	rank	I	PPP, 2021	rank	l	PPP, 2021
1	Luxembourg	118 680,05	_	31	Bahrain	41 335,63	61	Libya	21 260,43
2	Singapore	106 032,23		32	Cyprus	40 791,43	62	Montenegro	20 566,84
3	Ireland	102 154,44		33	Japan	40 769,83	63	Mauritius	20 244,16
4	Qatar	85 128,23	_	34	Slovenia	39 969,81	64	Serbia	19 761,65
5	Bermuda	77 546,61		35	Czechia	39 777,79	65	Belarus	19 751,20
6	Switzerland	70 792,66		36	Lithuania	38 957,63	66	Domin. Rep.	18 905,22
7	Macao	67 178,74		37	Estonia	38 207,41	67	Mexico	18 544,71
8	Norway	65 688,55		38	Spain	38 097,84	68	Ant.& Barb.	18 057,29
9	USA	63 069,23		39	Poland	34 363,02	69	China	17 602,70
10	Brunei	60 640,97		40	Hungary	33 517,97	70	Thailand	17 485,51
11	Hong Kong	60 051,75		41	Portugal	33 514,27	71	Maldives	16 595,96
12	Denmark	58 187,04		42	Latvia	31 688,53	72	Eq. Guinea	16 500,34
13	Netherlands	56 761,02		43	Slovakia	31 498,13	73	North Macedo	16 464,34
14	Austria	53 944,53		44	Turkey	31 252,08	74	Botswana	16 023,85
15	Iceland	53 462,65		45	Bahamas	31 046,79	75	Bosnia & Herz	15 634,93
16	Sweden	53 050,33		46	Croatia	31 046,63	76	Georgia	15 471,71
17	Germany	52 930,81		47	Romania	30 854,64	77	Grenada	15 183,41
18	Belgium	51 601,89		48	Greece	29 428,39	78	Suriname	15 179,06
19	Australia	49 308,52		49	Panama	28 837,00	79	Colombia	14 705,11
20	Finland	48 936,71		50	Russia	27 969,68	80	Brazil	14 615,05
21	Canada	47 903,03		51	Seychelles	27 159,66	81	Albania	14 520,11
22	Euro area	46 301,02		52	Malaysia	26 959,25	82	Azerbaijan	14 421,05
23	UK	45 839,15		53	Kazakhstan	26 033,24	83	Moldova	14 233,85
24	France	45 187,45		54	Chile	25 821,11	84	Gabon	14 197,70
25	Saudi Arabia	45 104,28		55	Tr.&Tobago	24 456,78	85	Barbados	13 487,10
26	Malta	44 395,33		56	Bulgaria	23 431,97	86	Armenia	13 317,23
27	South Korea	44 116,01		57	Uruguay	22 415,40	87	South Africa	13 126,01
28	New Zealand	43 301,43		58	Guyana	22 295,49	88	Ukraine	12 943,61
29	Italy	41 937,21		59	Argentina	21 506,92			
30	Israel	41 582,47		60	Costa Rica	21 260,76			

Source: systematized by the authors based on [2–4].

Fig. 1. Rating of countries by GDP per capita (PPP) 2021



*Source: systematized by the authors based on* [2–4].

Fig. 2. Drop in the volume of supplies to the Russian Federation

At the same time, the integration into the European market requires a serious methodical preparation, because the European markets have not only protectionist measures, which, by the way, were temporarily relaxed on June 4, 2022, when the Regulation No. 2022/870 of the European Parliament and Council on temporary trade liberalization measures came into force.

The main factor, which prevents Ukrainian goods from entering European markets, is a strong competitiveness of European enterprises. Mr. Rumyantsev, quite rightly, points out that the time has come when the consumer rejects the imposition of low-quality products and refuses to accept the goods of a company that has built its business on unfair competition. At the same time, he seeks a relationship of trust with producers.

Thus, entering European markets, Ukrainian enterprises should build long-term relationships with European consumers. For this purpose, it is necessary to integrate into its system of values, on the one hand, and on the other hand, to build up its own unique offer from the nearest competitors.

However, it should be noted that uniqueness (a unique USP trade offer), in itself, is not a sufficient condition for successful integration into European markets, being an element of a more complex system of enhancing the competitiveness of a product and company.

At the same time, analyzing world markets (Fig. 3), we can see that European countries are the most competitive, occupying 54% of the world Top 50-27 positions out of 50. That certainly testifies to the highest concentration of production, intellectual and sales capabilities of this European market.

Rank 2021	Countries	Rank 2020	Change in rank	Rank 2021	Countries	Rank 2020	Change in rank
1	Switzerland	3	2	28	Thailand	29	1
2	Sweden	6	4	29	France	32	3
3	Denmark	2	- 1	30	Lithuania	31	1
4	Netherlands	4	-	31	Japan	34	3
5	Singapore	1	- 4	32	Saudi Arabia	24	- 8
6	Norway	7	1	33	Cyprus	30	- 3
7	Hong Kong	5	- 2	34	Czechia	33	- 1
8	Taiwan	11	3	35	Kazakhstan	42	7
9	Saudi Arabia	9	-	36	Portugal	37	1
10	USA	10	-	37	Indonesia	40	3
11	Finland	13	2	38	Latvia	41	3
12	Luxembourg	15	3	39	Spain	36	- 3
13	Ireland	12	- 1	40	Slovenia	35	- 5
14	Canada	8	- 6	41	Italy	44	3
15	Germany	17	2	42	Hungary	47	5
16	China	20	4	43	India	43	-
17	Qatar	14	- 3	44	Chile	38	- 6
18	UK	19	1	45	Russia	50	5
19	Austria	16	- 3	46	Greece	49	3
20	New Zealand	22	2	47	Poland	39	- 8
21	Iceland	21	-	48	Romania	51	3
22	Australia	18	- 4	49	Jordan	58	9
23	South Korea	23	-	50	Slovakia	57	7
24	Belgium	25	1	51	Turkey	46	- 5
25	Malaysia	27	2	52	Phillipines	45	- 7
26	Estonia	28	2	53	Bulgaria	48	- 5
27	Israel	26	- 1	54	Ukraine	55	1

Source: systematized by the authors based on [2–4].

Fig. 3. IMD World Competitiveness Center's Comprehensive Country Competitiveness Index 2021

On the other hand, Ukraine ranks 55th in this rating. Having moved up in the rating from 55th (in 2020) to 54th place.

Comparison of non-alternative European market and competitiveness rating of the world countries shows that European market is certainly a target object of economic intervention, but the struggle for it will not be easy and will require the most serious scientific, production and marketing preparation.

Thus, the problem of research on the one hand, determined by the attractiveness of the European market, significantly exceeding the capacity of the Ukrainian market. On the other hand, the high competitiveness of enterprises on the European market suggests that our target market will not be an easy prize. And with the third we have absolutely not developed a question of competitiveness in a practical aspect. Moreover, the question of formation of uniqueness as a key business process in the conditions of the European integration vector of development has not been considered at all.

The competitiveness and uniqueness of products as a complex category becomes a decisive factor of the country's success on the world market.

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The competitiveness and uniqueness of products as a complex category becomes a decisive factor of the country's success on the world market.

The scientific part of the task is to prepare a systematic view of the issue of competitiveness, uniqueness of goods and trade offerings as a whole. Identification of factors constituting the unity of the concept of competitiveness and uniqueness. It will allow further, at construction of mathematical model uniting research, to set clear algorithms and interrelations between all components of system, beginning from those which consists of Uniqueness factor, finishing interaction and its mechanisms with other elements (quality, advancement, sales, personnel). To consider other business processes, on a par with Uniqueness, included in the list of basic business processes, the diversification of which will allow the Ukrainian enterprise to successfully integrate into European business. Thus, the scientific objectives of this study can be reduced to the following:

- 1. To give a correct definition of the concept of competitiveness.
- 2. To disclose the concept of Uniqueness and give it a correct definition.
- 3. to analyze the components that make up uniqueness.
- 4. Consideration of the relationship between the components that make up the Uniqueness factor and other business processes (quality, promotion, sales, personnel) affecting the success of integration into European markets.
  - 5. Determination of the direction of uniqueness evaluation.

The practical tasks of this work are to develop a transparent and clear mechanism for increasing the competitiveness of Ukrainian business in foreign, as well as domestic markets. For managers and business owners it is important to estimate both on the level of business plan (investment planning) and on the level of opening of a new division, as well as on the level of

planning the strategy of existing goods output to new markets, chances and prospects of the project. Because, the uniqueness factor, as we wrote in the previous article of the cycle, is the first and decisive. Because all the costs of promotion, organization of trade, personnel training and even expensive production process will not pay off, if the product will not have a clear market position and will not be a leader.



Source: developed by the authors.

Fig. 4. Problem Statement

Thus, the practical components of the task are:

- 1. To provide company executives with a proper understanding of the term competitiveness.
- 2. To give a true methodology for assembling the elements that make up uniqueness into a comprehensive metric.
- 3. To capture the basis of understanding of business process diversification, for further application by companies in the apparel, knitwear, and footwear industries.
- 4. To give a tool to reduce entrepreneurial risks, when evaluating investment projects, opening new divisions, launching existing products into new markets.
- 5. To develop a system of interconnections with other business processes of the enterprise, as well as recommendations to increase the level of uniqueness of trade offerings.

Analysis of recent publications. The problem of uniqueness should be considered through the prism of increasing the competitiveness of each individual enterprise, as uniqueness is only one element of the system of business competitiveness.

The subject of competitiveness has been sufficiently investigated by science, but these studies do not seem sufficient and exhaustive.

So, for example, O.O. Maslyaeva [4], considers, that, competitiveness - the multilevel economic category which component levels are technology, the goods, the enterprise, region,

branch and the country. This definition, capacious inherently, is vague and does not reflect the essence of competitiveness of an economic subject.

A.C. Donskikh [5], agrees, that competitiveness of the enterprise is a difficult and many-sided concept which it is necessary to consider both from technical, and economic positions. In our opinion the given sight at a problem of competitiveness correctly emphasizes directions of competitiveness, however in a cut of our research is very general and not applicable.

In turn G.L. Azoev [7] marks, that competitiveness, is an ability of the enterprise effectively to dispose the own and borrowed resources in the conditions of the competitive market. However, recognizing that competitiveness is a category directly related to the concepts of market conditions and the potential presence of competitors in the market, the author does not cover the issue of sales and sales of the enterprise in this competition and even less deals with the issue of realization of competition through uniqueness

The author R.A. Fatkhutdinov states, that competitive activity is the production of competitive object and firm persistent financial activity. The temporal component of the competitive process is emphasized here very competently, which we will use further, but the question of sales remains undisclosed. R.A. Fatkhutdinov approaches the essence of the question as closely as possible, touching the concept of "production of a competitive object", without revealing its essence in the meantime [8].

Meanwhile, M. Porter, gives an estimation of competitiveness, as productivity of use by the enterprise of separate tangible and intangible resources [26].

Commodity offer, as the most important component of this competition.

Thus, it is easy to notice, that scientists do accent in definition of competitiveness, or as a financial category, or marketing, only in single cases paying attention to the factor of dynamics in time. For the competitive advantage which is not protected from competitors in time – will be only an investment-problem, if the competitive advantage will be easily copied.

Certainly, to the disclosure of the concept of competitiveness, through which we come to the concept of uniqueness, approaches O.A. Gavrish who forms principles of competitiveness:

- structurization;
- balance;
- fairness;
- limited rationality;
- multiplicity;
- development;
- continuity;
- ensuring that positions are attractive;
- attraction;
- reliability of information;
- prevention;
- correspondence to time and space [9].

However, even this analysis, systematically does not reveal the essence of the phenomenon, although intuitively it covers an essential part of the physical meaning of the category.

In addition, scientists distinguish between product competitiveness and enterprise competitiveness.

The concept of "competitiveness of the company" is introduced into the scientific classification M. Porter, is basic in management. He writes that it will exist in relation to the enterprise as long as it holds competitive advantages over competing companies [26].

Competitiveness is relative, not absolute. I.e. in the work of the founder of this scientific category, we can again trace the time factor.

And A.N. Pechenkin characterizes company competitiveness as the ability to produce and sell rapidly, cheaply, qualitatively, to sell in sufficient quantity, at a high technological level of service. A.N. Pechenkin is the only author who for the first time applies the business process of selling in defining the concept of company competitiveness [17].

M.A. Nikolaev [18], writes that the competitiveness of a producer is the result of the aggregate efficiency of production – its labor productivity, stock, material and scientific intensity. The competitiveness of a firm is its ability to offer the requirements of a customer, that is a product of a certain quality, in the right quantity, in the right time and on more favorable conditions supply than competitors.

The competitiveness of an enterprise is the real and potential ability of a company, writes V.A. Taran, to design, produce and market in those or other specific conditions the goods which have a higher priority demand in consumers from a set of price and non-price characteristics than the goods competitors [20]. O.H. Yankovyi considers competitive those business entities, which operate effectively or provide the consumer with competitive goods or services [16].

Thus, it is possible to say that although the competitiveness of an enterprise has many descriptions, they are rather disparate and lack logical connection with the concept of competitiveness of goods.

One of the components included in the concept of competitiveness, and consequently in the system of diversified business processes, is uniqueness or unique selling proposition (USP).

Questions of uniqueness of trade offer have not been previously studied by science even less than the concept of competitiveness. We still do not find the concept of uniqueness in the works of scientists. The closest concepts that we can observe is the concept of "goods", which certainly requires more detailed consideration and disclosure.

Unresolved parts of the study. Thus, because of the analysis of the literature on the topic, we can say that the current and unresolved research issues will be:

- 1. Lack of definition of Competitiveness.
- 2. Lack of definition of Competitiveness of the enterprise.
- 3. Lack of definition of Uniqueness.
- 4. Lack of structure influencing and forming the concept of uniqueness.
- 5. The absence of a clear relationship between UNIVERSITY and QUALITY.
- 6. The lack of a clear relationship between UNIVERSITY and PROMOTION.
- 7. There is no clear-cut relationship between UNIQUE and SALES.
- 8. Lack of a clear connection between UNIQUE PERSONNEL.

#### The purpose of this research is:

- 1. To give the basics of structural and system understanding of the concept of Competitiveness, Enterprise Competitiveness and Uniqueness and its place in the diversification of business processes.
- 2. To identify a set of factors affecting the formation of Uniqueness of trade offer during integration into European markets.

**Statement and justification of the main results.** One of the researchers, though not a scientist, who gave the correct vision of uniqueness was Robert Sheldon. A unique selling proposition (USP), is also a marketing statement that differentiates a product from a competitor's product.

And at the intersection of market demand and the best competency of the business is where the uniqueness of the selling proposition comes in Fig. 5.

Further developing the thought, he concludes that Version 1 is not complete, and does not consider the influence of the market, the competitors. Therefore, Robert Sheldon adds to his model – competitors. And he concludes that uniqueness is born where competitors do not reach with their

competencies. This is also mentioned by S.A. Romanchuk, who writes that the offer should be something that competitors do not or cannot give (Fig. 6).

However, as a serious practitioner, Sheldon understands that Uniqueness cannot be achieved simply by the lack of competitor activity in the area of uniqueness. And he realizes that uniqueness is created in a zone where competitors are not just not acting, but acting BADLY. In a zone where customers, the market, have claims (Fig. 7).

While recognizing the logic of Robert Sheldon's model, we want to note that, for all its beauty, it is not a complete model. The fact is that Uniqueness, if it is not stable over a reasonable investment period, becomes the wrong benchmark, and can involve the enterprise in a loss-making project. So we develop the Sheldon model and add to it the factor of stability over time. That's how we get to the USP-T (Time) Version of Understanding the Unique Trade Proposition (Fig. 8).

After describing this model, we came to the final element of a unique commercial proposal. The fact is that any commercial proposal, needs communication channels capable of delivering this uniqueness to the market. Without having at least, the potential channels to convey the benefits of the company to potential customers, uniqueness becomes dead, and cannot be recognized as a practical tool. So a fifth element appeared in the uniqueness model – promotion and sales channels. And we come to the USP-A (Absolute) model (Fig. 9).

Based on this model, we can give a true definition of Uniqueness (unique selling proposition).

A unique selling proposition is a marketing statement demanded by the market, lying in the sphere of the intersection of the best competences of the company and the negative competences of its competitors, stable during the investment period and having correlating channels of promotion and sale.

After defining the concept of uniqueness, it is important for us to show the relationship of Uniqueness with the other 4 elements of our system.

- 1. A unique product does not compete (Fig. 10).
- A) From the customer's point of view, a unique product is already a product of the highest quality.
- B) A unique product is easier to position, in the system of promotion, even to the creation of a separate niche, "a strategy of the blue ocean".
- C) The first question, which is solved in the sales system is the answer to the question-why should we buy from you, which solve the competitive advantages, and ideally, the uniqueness of the goods.
- D) The first step in the training of sales staff, is to sell the product to the staff, which then affects the staff's confidence in the product and the effectiveness of sales.
  - 2. The marketing costs for promotion are reduced (Fig. 11).
- A) A quality product gains market share more quickly and receives positive feedback more quickly.
- B) The promotion of a unique product, occurs through a system of "launching" and "preordering," which reduces the cost of promotion. And for such a promotion can only use a unique product.
- C) the sale of a unique product in the system of decision-making by the client CLIENT-SELECT-MEMBERSHIP-THINKING about PRICE-PAYMENT, misses one of the most difficult episodes of "SELECT" than accelerate the sale, reducing the number of necessary personnel and costs for him.
  - D) The training of personnel is faster.



Source: developed by the authors.

Fig. 5. Unique selling proposition – Version 1

What the What the customer business wants does well USP What the competition lacks

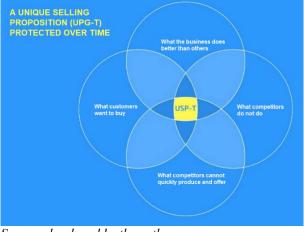
Source: developed by the authors.

Fig. 6. Unique commercial proposal – Version 2



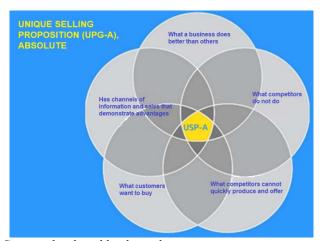
Source: developed by the authors.

Fig. 7. Unique selling proposition – Version 3



Source: developed by the authors.

Fig. 8. Unique selling proposition – USP-T



Source: developed by the authors.



Source: developed by the authors.

Fig. 9. The unique selling proposition is USP-A Fig. 10. A unique product beyond competition



Source: developed by the authors.

Fig. 11. Reducing marketing costs



Source: developed by the authors.

Fig. 13. Growing the country potential

UNIQUE	12
QUALITY	9
PROMOTION	11
SALE	6
PERSONNEL	5, 7
MACROECONOMIC	1, 2, 3, 4
FACTORS	8,1



Source: developed by the authors.

Fig. 16. Product Competitiveness



Source: developed by the authors.

Fig. 12. High added value



Source: developed by the authors.

Fig. 14. The difficulty of duplication

Source: developed by the authors

Fig. 15. Correlation of the methodology of defining national competitiveness and the structure of business process diversification



Source: developed by the authors.

Fig. 17. Company Competitiveness

## 3. High value-added products (Fig. 12).

- A. Wint notes that competitiveness is the ability of enterprises to make higher-than-average profits in a market where domestic and foreign competitors operate
- A) A product is unique, has high quality characteristics, and is positioned as a flagship product or is sold at a premium markup.
- B) The unique product is promoted to the premium segment, consumers are not sensitive to price.
- C) The sale of a unique product has a pronounced niche, due to which the sales strategy does not look fuzzy, focused, and therefore effectively. Besides in the system of decision-making by the client: the need the choice the hesitation bargaining about the price the purchase negotiations about the price is not provided because the price dictates the manufacturer.
- D) Based on the concept of contact cost, Sales of a unique product with a qualified sales team are more effective for products with high added value, and vice versa, a product with high added value provides an opportunity to attract and maintain more qualified sales personnel.

## 4. The growth of the nation's scientific and intellectual potential (Fig. 13).

- A) A unique product requires the achievement of unprecedented quality, which means the consolidation of the production and scientific resources of the nation, including designers.
- B) The promotion of a unique product requires the involvement of the best marketers-those who understand the production specifics, i.t. specialists, web-experts.
- C) Selling a unique top-notch product requires the involvement of specialists in sales, who know the technology of negotiations at the highest Western standards, including all the tools of online presentations, maintaining databases of clients, visualizations.
- D) Training personnel to implement such large-scale projects will require modernization of training and education, both at the level of short-term post-graduate training on the principle of Harvard University, and possibly at the level of higher education, up to the allocation of separate faculties.

#### 5. More difficult to copy (Fig. 14).

- A) A unique product, with the highest quality, implies equally unique equipment, procedures and production cycles. Given the dynamic development of the product's launch technology, as Apple does with the I-phone, the duplication process becomes very difficult.
- B) The promotion of a unique product becomes meaningless to copying, without the presence of a production base to produce the product. Thus the system of promotion and production become mutually supporting and fixing.
- C) The sale of unique goods, assumes unique scripts, technologies and procedures, absolutely useless in the sale of ordinary goods, thus becoming hyper-protective.
- D) Staff becomes more stable, turnover drops, for the experience of the staff associated with the unique chef is of little use in completely different, non-competitive goods.

The conclusion of the definition of uniqueness, smoothly leads us to the need to define competitive advantage. It is important to note that the financial characteristics that the authors introduced in this definition have nothing to do with the concept of competitiveness. The fact is that the financial categories are derived from the concept of competitiveness, not original to it.

Before defining competitiveness, I would like to draw attention to the methodology of defining the Global Competitiveness Index. All variables are grouped into 12 benchmarks which define national competitiveness:

- 1. Quality of Institutions.
- 2. Infrastructure.
- 3. Macroeconomic stability.
- 4. Health and primary education.

- 5. Higher education and vocational training.
- 6. Efficiency of the market for goods and services.
- 7. Efficiency of the labor market.
- 8. Development of the financial market.
- 9. Level of technological development.
- 10. Size of the domestic market.
- 11. Competitiveness of companies.
- 12. Innovation potential.

The index methodology confirms our hypothesis about the structure of diversification of business processes, which is decisive for the integration into foreign, in particular European markets. All the indicators, not including macroeconomic ones, which our study doesn't deal with, can be divided into 5 key business processes, which we consider as the key ones in the structure of business processes diversification. This is how we can clearly distinguish the indicators taken into account by the World Economic Forum when determining the competitiveness of the economies of different countries (Fig. 15).

Thus we have yet another confirmation of the correctness of the structure of business process diversification which we have defined.

And having more evidence that "Uniqueness", "Quality", "Promotion", "Sales" and "Personnel" are the basic components of competitiveness, it remains for us to define correctly product competitiveness and enterprise competitiveness. Here we should distinguish between the components related to the goods and the activities of the company.

Of our five elements, "Uniqueness" and "Quality" are related to the product (Fig. 16).

Thus we come to the definition of product competitiveness.

Product Competitiveness – the ability of a product to occupy a unique position in the marketplace, backed by its actual quality.

Product competitiveness, in turn, is a broader category, which includes such elements as "Promotion", "Sales" and "Personnel".

Thus, we can derive such definition (Fig. 17).

Enterprise competitiveness is the ability to deliver a unique product to the market, backed by the actual quality, productively promote and sell it in the market, providing the production and delivery process with effective personnel.

It is obvious that the degree of competitiveness of the enterprise is determined by the degree of development of each element of the model, methods of calculation of which, scales of evaluation, and mathematical model of integration of which, we have to study further.

#### Conclusions and prospects for further research:

- 1. The uniqueness of the trade offer (goods) is the cornerstone of the system of diversification of business processes.
- 2. Uniqueness is a multi-component element, which includes a number of other elements which form it and influence it.
- 3. Uniqueness is closely interconnected with all the business processes of quality management, promotion, sales and personnel training.
- 4. Uniqueness is a business process which influences the effectiveness of the company's sales through increasing the competitiveness of the company's marketing,
- 5. Uniqueness affects the whole range of financial performance of the business, the costs, the main performance indicators of the enterprise profitability and profitability,
  - 6. Uniqueness affects the stability of production processes through copying resistance
- 7. The uniqueness of domestic enterprises' product offerings generally has a positive dynamic effect on the growth of the nation's scientific and intellectual potential.

- 8. In the following parts of the study it is necessary to analyze the business process of uniqueness formation in the market of goods specifically light industry.
- 9. After a detailed study of all business processes affecting the success of integration of Ukrainian business into European markets, it is necessary to choose a mathematical model describing the formation of each component and their relationship.

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