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**THE GENESIS OF THE ESSENCE AND COMPONENTS OF STRENGTHENING  
THE COMPETITIVENESS OF PRODUCTS OF ENTERPRISES OF THE FLOUR  
MILLING INDUSTRY AT THE CURRENT STAGE OF DEVELOPMENT**

*The research examines the scientific rationale for strengthening the competitiveness of the products of enterprises, which is based on the generalization and refinement of the work of scientists on the definition of the genesis of the essence of the competitiveness of products, its criteria and components, taking into account the characteristics of products and their markets, in turn, the understanding of these issues is based on taking into account the essence of competition. The essence of competition as such an economic phenomenon, which existed in the economic life from the first stages of the development of society and was manifested in the struggle of its members primarily for economic resources, was briefly analyzed. Economic competition often turned into military conflicts and confrontations. It is substantiated that the development of commodity production and the formation of a market economy formed competition as a process of realization by economic agents of their economic interests through rivalry with other market subjects. Competition has become a recognized driving force of the market economy, which encourages quantitative and qualitative changes, and in particular, the creation of new goods and services, improvement and improvement of the quality of existing ones, the search for the most effective ways of using limited resources, and lowering prices. It is proposed to consider the competitiveness of the products of enterprises of the flour industry as a set of properties of products that, under effective, socially responsible and ecologically safe production, ensure its compliance with consumer requirements and make it more attractive than the products of competitors on the market, which enables the manufacturer to penetrate, maintain or expand its positions on market.*

**Keywords:** *economic development; competitiveness; competitive advantages; competitive positions on the market; products of flour mill enterprises; constancy.*

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**ГЕНЕЗА СУТНОСТІ ТА КОМПОНЕНТИ ЗМІЦНЕННЯ  
КОНКУРЕНТОСПРОМОЖНОСТІ ПРОДУКЦІЇ ПІДПРИЄМСТВ  
БОРОШНОМЕЛЬНОЇ ГАЛУЗІ НА СУЧАСНОМУ ЕТАПІ РОЗВИТКУ**

*В дослідженні розглянуто наукове обґрунтування зміцнення конкурентоспроможності продукції підприємств, що ґрунтується на узагальненні та уточненні напрацювань науковців з визначення генезису сутності конкурентоспроможності продукції, її критеріїв та компонентів з урахуванням особливостей продукції та її ринків, у свою чергу, розуміння цих питань засноване на урахуванні сутності конкуренції. Коротко проаналізовано сутність конкуренції, як такого економічного явища, що існувало в економічному житті з перших етапів розвитку суспільства та проявлялася у боротьбі його членів насамперед за економічні ресурси, нерідко економічна конкуренція переходила у військові конфлікти та протистояння. Обґрунтовано, що розвиток товарного виробництва та становлення ринкової економіки сформувавши конкуренцію як процес реалізації економічними агентами своїх економічних інтересів через суперництво з іншими суб'єктами ринку. Конкуренція стала визнаною рушійною силою ринкової економіки, яка спонукає до кількісних та якісних змін, та зокрема, створення нових товарів і послуг, удосконалення та підвищення якості існуючих, пошуку найбільш ефективних способів використання*

*обмежених ресурсів, зниження цін. Запропоновано розглядати конкурентоспроможність продукції підприємств борошномельної галузі як сукупність властивостей продукції, що за ефективного, соціально відповідального та екологічно безпечного її виробництва забезпечують її відповідність вимогам споживачів та роблять її привабливішою за продукцію конкурентів на ринку, що дає можливість товаровиробнику проникати, підтримувати або розширювати свої позиції на ринку.*

***Ключові слова:** економічний розвиток; конкурентоспроможність; конкурентні переваги; конкурентні позиції на ринку; продукція підприємств борошномельної галузі; сталість.*

**Statement of the problem.** OECD experts, considering the competitiveness of the firm, emphasized such properties as the ability to compete, increase profits and grow, which is based on costs and prices, but also on the potential to use technologies and ensure product quality [5].

Experts of the Center for European Economic Research also emphasized such an attribute of competitiveness at the micro level as the firm's ability to sell products and earn profit in the long term [5].

Therefore, aspects of efficiency, competitive advantages in terms of costs and price, product quality are considered by scientists as important components not only of product competitiveness, but also of enterprise competitiveness.

At the same time, the competitiveness of products lays the foundations for the competitiveness of the industry, which is associated with high profitability and perseverance to maintain its share in the domestic and/or export markets [2]; sustainable ability to profitably obtain and maintain market share in domestic and/or foreign markets [1].

**Analysis of the latest research and publications.** Analysis showed that the approaches to determining the competitiveness of products emphasize its properties and advantages, the market segment in the product markets. Arguments linking competitiveness with economic efficiency and, in particular, production profitability, are also presented. D. Epshtein noted that "economic efficiency and competitiveness are, obviously, in the conditions of a market economy, concepts of the same order" [5]. We believe that the company's products can be competitive only artificially, for example, due to the actions of state regulation, or in the short term, if its production is not economically efficient. Indeed, by lowering the price below the level of costs, the company will be able to attract more buyers to purchase it, but will not be able to cover costs and ensure reproduction in the long term. Thus, in the long term, the enterprise will not be able to finance the production of products if it is not profitable. Of course, having displaced competitors from the market, the company will be able to raise the price in the future, and in this case we have a situation of unfair competition and "adverse selection", i.e. ineffective selection of producers under market conditions.

**The purpose of the article is** study of the genesis of the essence and components of strengthening the competitiveness of products of enterprises of the flour milling industry at the current stage of development.

**Presentation of the main material.** Taking into the results of the conducted research on the definition of the category "product competitiveness" and approaches to it, we suggest considering its economic essence as a set of product properties that, with efficient, socially responsible and environmentally safe production, ensure its compliance with consumer requirements and make it more attractive than competitors' products on the market, which enables the product manufacturer to penetrate, maintain or expand its position in the market, to ensure sustainable development.

The competitiveness of products allows to ensure the favorable positioning of manufacturers in the markets and is realized on the principle of synergy, when some properties are strengthened at the expense of others.

It should be noted that the conformity of the product to the needs of consumers, its advantages compared to similar or substitute products must be formed by the manufacturer precisely for its efficient, socially responsible and environmentally safe production. Otherwise, advantages formed in violation of existing norms of environmental protection, unreliable information on product safety and quality, or violation of social standards of business conduct, are artificial and lead to inefficient allocation of resources in the economy, lead to the formation of negative externalities, and cannot be considered as signs of real competitiveness of products. Our definition also takes into account the results of the implementation of competitive advantages, which are reflected in the positioning of the manufacturer's products, its market share.

In today's numerous studies on issues of competitiveness, there is ambiguity in approaches to understanding criteria, indicators, components (components), elements, factors (factors) of competitiveness.

We consider it necessary to clarify the meaning of these concepts. The dictionary of the Ukrainian language gives the following definition of the term "criterion": a basis for evaluating, defining or classifying something; measure. In Wikipedia, the term "criterion" is defined as the ability to discriminate; a means of judgment, a yardstick; requirements, tests for determining or evaluating a person, object, phenomenon; feature taken as the basis of classification; a basis, a rule for making a decision regarding the assessment of something for compliance with the proposed requirements (measure). an indicator, a sign, on the basis of which an assessment of the quality of an economic object, process is formed, a measure of such an assessment [5].

The term "factor" is defined as a condition, a driving force, a cause of any process that determines its character or one of its main features, i.e. "what does, has an effect" [5].

The term "component" is considered as a constituent part, an element of something. The term "component" is defined similarly to the previous one as a component of something, but it is noted that the scope of its use is narrower than the word "component" and contains only terminological contexts [5].

The indicator is a quantitative characteristic of one or more properties of the product, included in its quality, considered in relation to certain conditions of its creation and operation or consumption; phenomenon or event, on the basis of which it is possible to draw conclusions about the course of some process; quantitative characteristic of product (process) properties, the result of quantitative data measurement.

Since modern manufacturers in the conditions of globalization work in conditions of significant openness of economies and must be ready to compete with product manufacturers from other countries both on the domestic and on the world market, especially considering that the production of the flour industry has a significant export potential, then, we believe, approaches regarding the identification of export competitiveness criteria, it is reasonable to use it in determining the competitiveness of products. Yu. Solodkovskiy believes that competitive export differs from ordinary export by four criteria: stability, efficiency, quality, good faith [5]. T. Tsygankova supplemented this list and emphasize eight criteria of competitive export [7].

The report of the experts of the Center for European Economic Research contains indicators of the competitiveness of subjects of different levels, which are divided into three areas:

- cost competitiveness,
- competitiveness related to innovations,
- export competitiveness [3].

Specialists of the UK Department of Trade and Industry (DTI) in defining the competitiveness of a firm as "the ability to produce the right goods and services of the right quality, at the right price, at the right time, which means meeting the needs of customers more efficiently than other firms" [10], took into account the following components of product competitiveness, such as proper quality, price, time, efficiency, compliance with consumer needs.

Summarizing and supplementing the work of scientists as part of the components of the competitiveness of the products of enterprises of the flour milling industry, we highlight the following: sustainability, cost-price, efficiency, product quality and its compliance with standards, innovativeness; social responsibility of the manufacturer; environmental friendliness; availability and completeness of product information; reputation of the manufacturer; fair competition.

The sustainability of production and sale of products as a component of product competitiveness proves that the production of these products takes place in sufficient volumes, which allow to form an appropriate share on the relevant regional, national and international product markets, and there are also opportunities to maintain this share and even increase both production volumes and market share of products;

The cost-price component determines the absolute and comparative competitive advantages of product production in terms of costs, the ability to offer products at a price more attractive than competitors' prices for efficient production and sales of products. It is closely related to this component, but is also a relatively independent component of efficiency. Its content forms such a property of the product as its profitability, which actually means the excess of the sales price of the product over the costs, the ability to sell the product and make a profit under specific conditions.

Product quality and its compliance with standards as a component of competitiveness presupposes the presence of its properties to meet the needs of consumers at an appropriate level, to be safe and nutritious (which is especially important for food products), to preserve its nutritional and taste properties; to meet quality standards, to be certified.

The innovativeness of products includes the novelty of both types of products for regional, national and world markets, as well as individual properties of products, renewal of products in accordance with consumer requests, achievements of scientific and technical progress.

The producer's social responsibility must also be included in the components of product competitiveness and in this case means that the producer integrates the solution of social issues and the observance of social standards in his economic activity (in particular, regarding the conditions and remuneration of labor, providing reliable and complete information as regarding the terms of contracts, as well as the quality of products), has a responsible attitude towards consumers, employees, partners, territorial communities; is in harmonious coexistence and dialogue with society to solve social problems. These requirements are also important for another component, such as the manufacturer's reputation.

The environmental friendliness of production and products as a component of the competitiveness of the products of the flour industry involves its production without the use of substances and technologies harmful to humans and the environment, the safety of products made from raw materials grown without the use of chemical synthesis substances, does not contain genetically modified organisms, pathogens, and as well as the application of environmentally safe production technologies and methods of waste disposal. A polluted environment leads to deterioration of soil fertility, reduces the quality of agro-food products. Products made from raw materials grown in a polluted environment are not of high quality because they contain various harmful chemical, biological and even radiation elements. The low quality of agricultural products complicates the processes of processing and storage, which is also accompanied by additional losses O. Stakhiv and T. Adamchuk (2017) emphasized that in the process of agricultural production, no damage should be done to the environment, and the product should be safe for humans.

The reputation of the manufacturer, its brand and the product in modern conditions are important for consumers to make a decision to purchase the product, distinguish the product from analogues and give it advantages among competitors' products.

The component of availability, accessibility and completeness of information on product properties is a necessary condition for consumer awareness of products and their benefits.

The component of fair competition embodies the existence of competitive advantages of products and the ability of manufacturers to maintain market share of goods without artificial tools and actions (in particular, protectionist, collusive, asymmetric information) that modify the conditions of competition.

These components embody the necessary properties of the product, which form its competitiveness.

**Conclusions** The economic theory of competitiveness was formed on the basis of the theory of competition. Developing in close connection with her, it acquired independent development with application in management and marketing. Competition studies have gone through such stages as behavioral, structural, functional, and strategic. But in modern conditions, research on competition is complemented by a focus on modern marketing technologies (digital marketing, neuromarketing, artificial intelligence), as well as the reputation of the product manufacturer in the social environment, including social networks, which gave grounds to supplement the mentioned stages with socio-technological ones, which should be taken into account in measures of manufacturing enterprises to ensure the competitiveness of products.

The work of scientists on the components of competitiveness has been summarized and supplemented, in which the following are proposed for the products of enterprises of the flour milling industry: sustainability, cost-price, efficiency, product quality and its compliance with standards, innovativeness; social responsibility of the manufacturer; environmental friendliness; availability and completeness of product information; reputation of the manufacturer.

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