

Evaluation Methods of Enterprise Competitiveness of Mobile Phone Retailers

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Abstract. Over the past few years, the mobile telecommunications market has been among the fastest growing market segments in Russia, which provides mobile phone distributors with significant opportunities for growth. Over the past five years, there has been an unprecedented growth in the user's base and market penetration rates, and currently the growth of the Russian user's base is provided primarily by the Russian regions.

The main purpose of any enterprise in a market economy is to maintain and expand its position in the market, growth and stable profit. The main mean of achieving this is to ensure high competitiveness.

Modern service enterprises are increasingly faced with increasing consumer requirements, which are the result of increased competitive, strengthening the position of competitors in this market segment, deepening the differentiation of effective demand, reducing the timing of the innovative development introduction, changes in industry boundaries and activity profiles. Competitors put forward conditions under which service enterprises should more quickly and professionally bring their activities in line with the new conditions and requirements on the basis of organizational, technological, social and managerial innovations. All this also demonstrates the need to ensure the competitiveness of service enterprises.

1. Introduction

Providing the competitiveness of service enterprises is a set of directions, taking into account the influence of external and internal factors, in order to improve the enterprise competitiveness in the service sector. It contributes to the formation of optimal functioning and development of the enterprise and achieving a balance of interests of consumers and the enterprise, resulting in better opportunities for providing services.

The process of ensuring competitiveness in the service sector is associated with the need to harmonize the content of lines between quality management systems of goods (services) at the level of economic entities of the service sector with economic and competitive policy at the federal and regional levels. At the same time, it is important to take into account that modern service facilities are complex organizations, the success of which depends on the efforts of all employees aimed at achieving a common goal. In this regard, the structure of interactions has a significant impact on the overall efficiency of work, and this structure can be taken into account only by approaching the problems of the organization from the standpoint of a complex system approach [4].

Today, providing the enterprise competitiveness, its ability to stand firm in the market of goods and services, mainly depends on the business susceptibility of its employees to the slightest changes in consumer preferences and their ability to meet these needs in a timely manner.

2. Object and method

To manage the competitiveness of mobile retail enterprises, it is necessary to have an objective and full-fledged technology for its evaluation, including a set of principles, indicators and measurement methods. In order for the unit to achieve maximum sales performance, it is necessary that its rules and methods are unified and used by all employees working with customers [21].

We will highlight several principles of evaluation and management of enterprise competitiveness:

- the competitiveness level of any object is a relative indicator and therefore it is advisable to determine it by comparison;
- the organization competitiveness should be evaluated only among enterprises belonging to the same industry or producing the same goods (services);
- the using definite quantitative assessment in evaluating the organization competitiveness, which will more effectively develop measures to improve competitiveness;
- the organization competitiveness can be evaluated by a variety of parameters, the justification of which is an important element of measuring competitiveness methods;
- when choosing, creating a methodology for assessing the organization competitiveness, it is necessary, first of all, to take into account the specifics of the industry and the region.

The measuring method analysis of the enterprises competitiveness has shown that today, both in Russia and abroad have not developed any conventional concept of enterprises competitiveness, nor a single nomenclature of its indicators, nor the general methods of combining them into one integral indicator, which ultimately creates serious problems in the evaluation and management of competitiveness [9,13].

The complexity of a unified methodological approach development to assessing and analyzing the enterprises competitiveness is determined by the following points:

- economic theory ambiguously interprets this concept and gives it many different and sometimes contradictory definitions, each of which covers one or another of its side, or makes an attempt to its complex characteristics.
- the number of factors involved in the assessment, their importance and qualitative composition vary significantly depending on who is assessing the enterprise competitiveness and for what purpose,
- methods for assessing the enterprise competitiveness, tested in world practice and having a specific economic and quantitative nature, do not use scientific approaches to management (systemic, integrated, reproductive, etc.). As a rule, each approach to assessing competitiveness is not designed for all similar enterprises, but for one or two.

Therefore, one approach to evaluation takes into account, for example, reserves in the using production factors, another – the cost of specific factors of production, the third – the efficiency of capacity, the fourth – the efficiency of production and marketing activities, the fifth – the effort to improve the quality of goods, etc. In the context of the Russian economy, it is necessary to apply not separate approaches to assessing competitiveness, widespread in industrialized countries, but system-integrated, synthesizing the listed and taking into account the specifics of local market relations [20,12].

Thus, it can be stated that today in Russia there is no single method of comprehensive assessment of the enterprise competitiveness, the need for which is acutely overdue.

3. Results and discussion

So, the authors propose to assess the enterprise competitiveness included in the business network by the method:

- 1) Using SWOT analysis to assess the enterprise activities included in the business network;
- 2) Analysis of the main competitors;
- 3) Consideration of the speed and number of new outlets opening;
- 4) Using concept of the market forces segmentation of Mr. Porter to analyze the enterprises competitiveness entering into the business network;

- 5) Analysis of the main indicators of enterprises competitiveness included in the business network, using the method of expert evaluation;
- 6) Definition of integrated indicators of competitiveness;
- 7) Making a polygon of enterprises competitiveness included in the business network;
- 8) Marketing research of service consumers provided by enterprises included in the business network.

Figure 2 shows block diagram of the methodology for assessing the enterprises competitiveness included in the business network. The analysis of the organization competitiveness based on the concept of Mr. Porter's five forces is presented in figure 1.

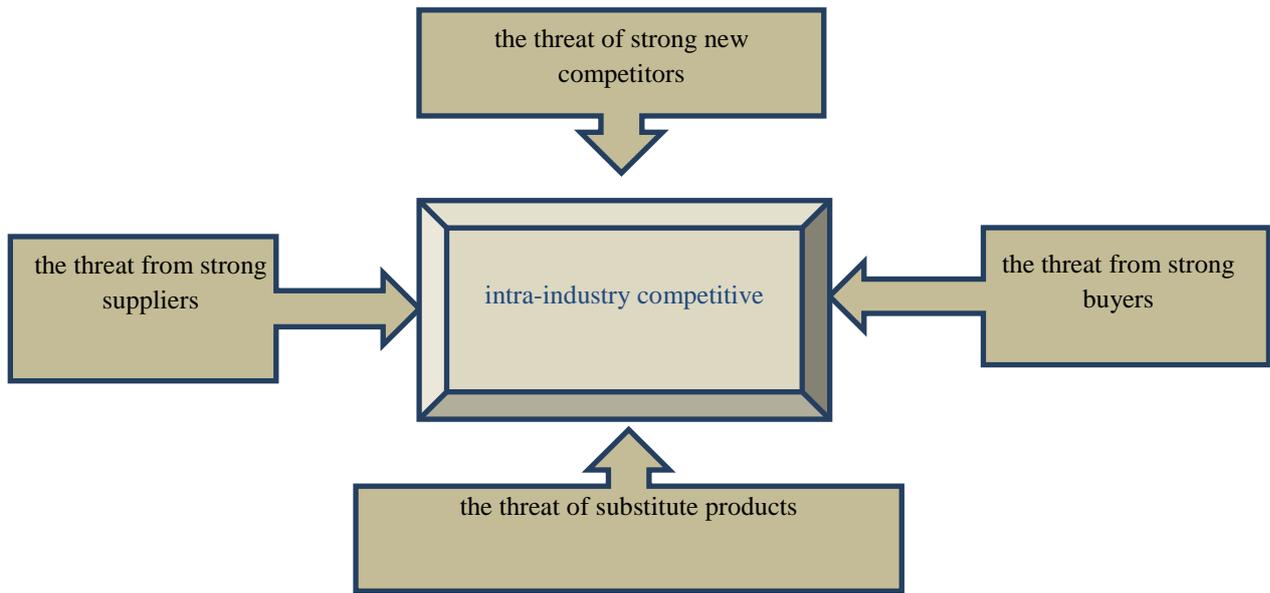


Figure 1. The model of « Mr. Porter's five forces».

A model of market forces segmentation that may threaten us or that we may benefit from, proposed by professor Mr. Porter a quarter century ago [7,18].

The first force that can influence us is our competitors. It can be evaluated in the point system from 0 to 6:

0 points – we do not feel pressure at all and, moreover, we can quite push ourselves; 1 point – minimum and irregular pressure, there is no danger yet; 2 points – there is pressure, but there are no serious threats yet; 3 points – competitive, "push" can neither we nor they us; 4 points – competitors bypass, bust customers; 5 points – we lose positions, and we need to do something urgently; 6 points – we are completely under pressure by competitors, but you can still try to sell someone [10,17].

Similarly, the same system is used to evaluate the second market power – customers and the third one – suppliers.

The fourth force – new competitors, market newcomers.

The fifth force – substitute products or substitute goods.

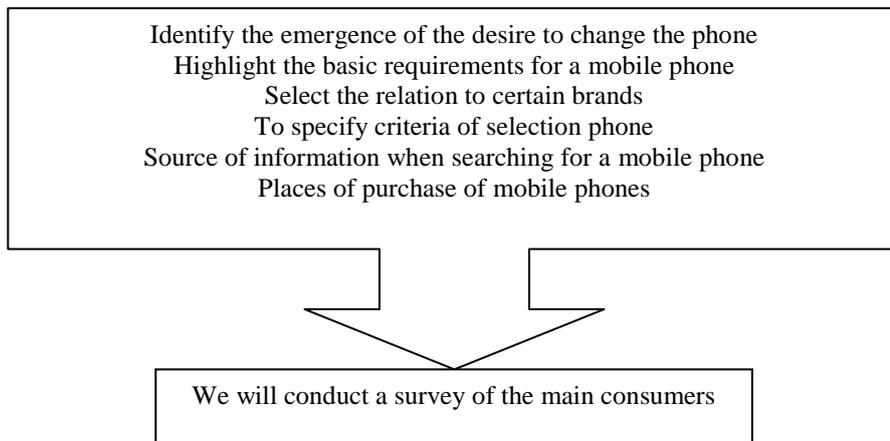
We will also assess the threat from possible new competitors and substitute products from 0 to 6 points [1].

The next step is to decide on the behavior strategy depending on pressure force (table 1).

Table 1. Choice of behavior strategy depending on pressure force.

Agreed the pressure force in points	Choice of behavior strategy
0 – 2	It is necessary to "put pressure" on
2 – 3	Do nothing, monitor the situation
3 – 5	Need special programs with responsible and budgets
6	It's late, need to get out of the market

Marketing research of services consumers provided by the company included in the business network the author offers the following sequence:



The proposed method of assessing the enterprises competitiveness included in the business network requires the development of an indicator system that takes into account the enterprises characteristics of this type. Table 2 presents a system of indicators to assess the enterprises competitiveness included in the business network.

Table 2. Indicators for assessing competitiveness.

Indicators	Results
Market coverage breadth	- attracting and retaining consumers
Market share	- revenue growth
Personnel qualification	- increase in the level of customer loyalty
The location	- market share growth
Breadth of product range	- profit growth
Ease of layout	- growing popularity of the company
Programs for buyers	- positive image of the company
Quality of service	
Price level	
Level of advertising activity	

The author proposes to evaluate the system of indicators using the method of expert assessments and survey. Figure 2 shows the scheme of evaluating the system of indicators of enterprises competitiveness included in the business network.

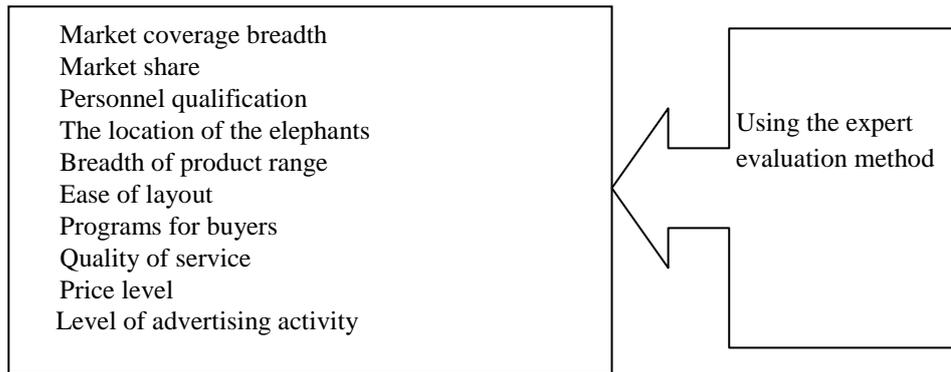


Figure 2. The scheme of evaluating the indicators system of enterprises competitiveness included in the business network.

4. Conclusion

The reliability of the competitiveness assessment by this method largely depends on the qualification of the expert and is largely a subjective process, since the integral indicator of competitiveness is calculated using estimates determined by experts. At the same time, the advantages of the method include simplicity, low cost, the ability to quickly assess competitiveness at a qualitative level [12].

Each indicator is assigned a weight corresponding to its importance among the selected indicators. Then, for the analyzed enterprise and the main direct competitors, estimates are put down for each indicator in the selected scale and the total weighted estimate is calculated. To assess the competitiveness of services, competitiveness indicators were formulated, which are crucial for success in the Russian market.

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