FORMATION OF THE COMPETITIVE STRATEGY OF AN ENTERPRISE BASED ON THE CUSTOMER-ORIENTED APPROACH

SPYTSKA K. V., GRYNKO T. V., HVINIASHVILI T. Z.

Issues related to customer-oriented strategy are of particular importance, as its development and implementation determines the conditions that meet the needs of consumers with the level and quality of service, as well as economic and social growth of the company as a whole. The article identifies the main provisions and the conception of modern customer-oriented approach of the organization, in which the system-forming factor is the process of interaction between consumer and producer, which will ensure the dominant development of service activities. Thus, research of customer orientation and its estimation characterizes actual aspects: quality of service, loyalty of consumers, and strategic priorities of competitiveness of the enterprises. The presence of any developed component of the company’s customer orientation (service, product quality, customer orientation) does not guarantee the company’s success, as a comprehensive approach is needed. This approach can be implemented by developing a project to increase the company’s customer focus, as the whole problem is fully covered. The foreign and domestic scientists and economists, who paid attention to the issue of customer-oriented management at the enterprise, among them: P. Gamble, M. Stone, N. Woodward, P. Brown, F. Koter, J. Mann, A. Rumyantseva, N. Ryabokon, A. Prancheva, A. Panfilov, M. Yakimenko and others, also characterized different approaches to determining customer orientation. They explored general issues such as the impact of customer focus on the competitive advantages of the organization, the concept of customer focus of the enterprise and the problems of its evaluation. The purpose of the article is the development of practical recommendations for the formation of competitive strategy of the enterprise taking into account the peculiarities of modern customer-oriented policy.

Keywords: competitive strategy, competitiveness, customer orientation, CRM-system, customer marketing.

1. Spytksa Katerina V. – Student, Oles Honchar Dnipro National University (72 Haharina Ave., Dnipro, 49010, Ukraine)
E-mail: spitskaya1108@gmail.com

2. Grynko Tetiana Z. – D. Sc. (Economics), Professor, Dean of the Faculty of Economics, Oles Honchar Dnipro National University (72 Haharina Ave., Dnipro, 49010, Ukraine)
E-mail: greisy25@gmail.com
ORCID: https://orcid.org/0000-0002-7882-4523
Researcher ID: https://publons.com/researcher/2300976/tetiana-grynko/

3. Hviniashvili Tetiana Z. – PhD (Economics), Associate Professor, Associate Professor of the Department of Economics, Entrepreneurship and Enterprise Management, Oles Honchar Dnipro National University (72 Haharina Ave., Dnipro, 49010, Ukraine)
E-mail: gvintanya@gmail.com
The globalization of the economic space and Ukraine’s integration into the world economic community raise the issue of finding sources of competitive advantages that would ensure a stable market position of the enterprise. Under modern conditions, economic relations development, customer orientation and the formation of a partnership system is among the most promising research and development areas of world economic relations [5].

As a result of the marketing concepts evolution and, in general, the actualization of long-term relationship marketing, customer-oriented organizations emerged, which, unlike the traditional ones, chose conscious implementation of innovations, focused on meeting consumer needs, qualitative service and care [4].

Customer-oriented activities provide benefits to a company through cost savings, increased profits, maintaining the existing market positions and increasing the number of customers by strengthening the company’s positive image. Established connections of customer-oriented enterprises, their experience in attracting and retaining consumers form the basis for successfully running the enterprise and doing business effectively [6].

Thus, the customer orientation of an enterprise is a strategy of customer relationship management focused on the long-term perspective [9].

In general, customer orientation determines such components as:
- customer retention focus (main idea);
- individual communications with clients (realized through personal communication between the personnel and clients);
- cooperation based on the relationship, not on the product (such a relationship between the organization and the client is formed, which goes far beyond the conventional interaction in the act of economic exchange) [1].

Among the main tasks of assessing the customer orientation of an enterprise are:
- evaluation of customer / employee behavior;
- assessment of motivation, values, attitudes, personal qualities of clients / employees;
- assessment of knowledge, skills, abilities of employees.

F. Kotler believes that many companies in modern conditions are focused on goods and sales rather than on customers and target markets. The process of transforming a company into a customer-oriented one requires:
- encouraging a positive attitude towards customers within the organization;
- forming an organizational structure focused on the customer, not on the goods;
- studying customer needs through qualitative and quantitative research [4].

According to K. Cochran, customer orientation is one of the main values of a business striving to survive and prosper. Current organization management is undergoing transition from management to business processes [4]. All this determines the transition from a product-oriented approach (attention to the product, its sales and sales efficiency) to a customer-oriented approach (attention directly to the customer, their requests and preferences).

Customer-oriented strategy is an analytical and organizational strategy based on the way an enterprise sees its mission, with the focus placed on the long term. It is used in practice through the implementation of a certain marketing strategy in order to achieve indicators above the market average, through the consistent implementation of policies to create goods and services that meet the needs more effectively than the goods and services of competitors [2; 15]. The structural reflections of a company on the consumer-oriented concept are presented in Fig. 1.

Fig. 2 shows a scheme according to which a company should develop a strategy when the focus is placed on the customer, i.e. to use the customer, their needs and requests as a core around which the company’s efforts are formed in all the areas of its activities.

The basic principles of consumer orientation, formulated by O. Prokofiev, can be described as follows [14]:
- the consumer is top priority for the company;
- the company’s employees, performing their main responsibilities, should master a new function, that is, to promote its trademark or a brand, to transfer information about contacts with customers for further analysis and decision-making;
- focus on the internal, regular customer, their satisfaction with the company’s work, and later, on potential customers;
- responsibility of all the employees for the quality of customer service and increase in the degree of their loyalty to the company;
- employees’ understanding that the main point is not their smile when communicating with the client, but the client’s smile after communicating with them;
- if the company does not take care of the client, its competitors will be happy to do so;
- it is important to anticipate the customers’ expectations to prevent their transition to competitors.

For more clearly adjust this strategy to the activities of Ukrainian enterprises, it is possible to use such strategies as “customer specialization” and “end-user orientation” [5; 7]. Increasing customer orientation as an organizational strategy means focusing on customer’s needs. The main goal is not so much to encourage employees to constantly care about customers and fulfill their wishes, but for the senior management to take into account the interests of their consumers while making key decisions. The narrow approach to understanding customer orientation is associated with the practice of using advanced marketing tools within the concept of relationship marketing to build individual marketing communications, create loyalty programs, individualize the
existing products, organize a new type of customer service, achieve a higher share of consumption. For example, T. Osenton offers such elements within the marketing complex of the consumption share, which, in his opinion, provide "targeted and strictly individualized communications" (Tbl. 1). Based on this idea, we can formulate the stages of implementing customer-oriented marketing at an enterprise [12]. It must combine all the 4P complex elements, as well as be able to take root in the clients’ minds and become the most valuable partner company for them. The work of this mechanism is shown in Fig. 3.

Based on the above, it is possible to formulate the tasks set by the company’s management in order to focus its activities on consumer demand:

+ selecting the most profitable clients;
+ encouraging customer loyalty;
+ increasing the company's sales at the expense of the most loyal customers;
+ reducing expenses on non-regular customers.

Thus, the application of a customer-oriented approach ensures the attraction and acquisition of customers, increasing the level of customer loyalty, enterprise income, and customer awareness, improving the company's image, increasing its market share; developing both the company and its clients, achieving the maximum level of satisfaction among the consumers. The result of customer orientation is expressed in increasing demand for goods and services provided by an enterprise, expanding the range of consumers, increasing the share of repeat purchases. These effects from the application of a customer-oriented approach should be as:

**Table 1**

| New 4P | The purpose of using the tool |
|--------|-------------------------------|
| People | Identify your consumers       |
| Preferences | Understand how they use the product |
| Permission | Get permission from them to offer your product |
| Precision | Communicate strictly on an individual basis with a specific purpose |

**Fig. 1. The main elements of the marketing concept while orienting enterprises on consumers**

Source: formed on the basis of [10].

**Fig. 2. The structure of a customer-oriented organization**

Source: formed on the basis of [8].

**Fig. 3. Stages of implementing customer-oriented marketing**

Source: formed on the basis of [4].
sessed by the following indicators: level and satisfaction index; absence complaints; number of new customers; increase in sales volumes; frequency of repeat purchases; increasing the term of contracts [16].

The customer-oriented strategy of an enterprise is aimed at deepening knowledge about the clients and their better understanding, and satisfying target individual needs. As a result, interaction becomes closer, cooperation extends, economic indicators grow, and the company’s reputation in the market improves.

Therefore, we will consider the main methods of applying customer-oriented marketing, namely, what a company can do to show its interest in the customers’ needs, gain their trust and offer them a competitive advantage in the form of constant interaction. To achieve sustainable market advantages, the customer-oriented strategy of an enterprise must harmoniously combine modern and traditional methods of influencing the consumer.

The company’s capability to meet customers’ needs largely depends on the work of “internal” units. The introduction of customer-oriented marketing can increase the consistency of actions of both the “internal” and “external” units by understanding the overall strategic goals and shifting the focus of employees’ attention from the interests of individual departments to the interests of the company, as a whole. In order to study the possibilities of implementing customer-oriented marketing by an enterprise that adheres to the strategy of focusing on consumers’ needs while designing its marketing activities, one should choose a single method of using customer marketing (Fig. 4).

So, a significant number of research works are aimed at interpreting the possibilities of ensuring the effectiveness of the implementing the customer-oriented approach at the enterprise, studied in, on which basis we can identify a number of fundamental advantages of implementing such a strategy that reflects the author’s vision of customer-oriented marketing [13]:

- increasing profitability (it increases the frequency and volume of purchases and reduces transaction costs);
- training the enterprise staff (the client becomes a supplier of information that helps to develop business);
- promoting business (the client recommends the company to other consumers);
- increasing competitiveness due to market orientation, which corresponds to the trends and rules of the modern market;
- building a system of customer relationships focused on achieving their loyalty and ensuring continuity as opposed to one-time sales. Continuous process of customer involvement, their stable involvement, support and development;
- adhering to the balance of interests of the enterprise, increasing customer satisfaction, offering customers the most profitable and individualized programs depending on the importance of the customer for the company and the stage at which their relationship is.

Fig. 4. Methods of using customer marketing in the strategy of an enterprise, focusing on customer requests

Source: formed on the basis of [14].
Every year, the Temkin Group and Gartner research organizations publish reports that provide an opportunity to see information on customers’ needs, their preferences, as well as what they strongly dislike about service. Below are the statistics according to their study.

Company service does not meet customer requirements. Less than 30% of companies offer self-service, chats, social networking and applications, bots or forums for user discussions. This is important because it allows you to stay ahead of the competition. Still, there is a huge gap in automation and self-service for customers.

Self-service is a missed opportunity. Only a third of companies offer some form of self-service through a help center, knowledge base or FAQ. Interestingly, business leaders offer self-service 76% more often. If more than half the managers indicated that they can provide self-service, then only a third of technical support teams have a self-service strategy.

Customer data affects profits. Companies that attract more customer data process requests 36% faster and reduce latency by 79%. They also process 4 times more customer requests. This increase in productivity is difficult to argue, especially given that market leaders are more likely to use a multi-channel approach, offering interaction with customers across more channels with various functions and data [17].

CONCLUSIONS

Customer orientation is a priority focus of the company’s strategy, because it involves focusing all efforts on increasing the referral value, achieving a high level of loyalty, finding opportunities to establish long-term interaction with clients. Customer orientation is aimed at involving all the company employees in implementing this concept and teamwork, with the consistent accumulation of skills to form a reliable relationship with the consumer. Customer-oriented marketing, as an element of the company’s strategic planning, primarily stimulates the development of a consumer loyalty program in the long or short term. Substantiation and implementation of such a program makes it possible to control the process of forming customer loyalty to the brand, to make up an information client base to further analyze problem areas and adjust the strategy, as well as to provide understanding of the importance of the company’s actions for the consumer, to strengthen interactions. Introducing customer-oriented marketing in the strategy of the enterprise has a number of significant advantages, such as increasing its profitability, improving the system of knowledge of employees, their understanding of customers’ needs and opportunities to retain them. In addition, it is important to understand the importance of customer orientation as part of the company’s philosophy, increase in employee motivation and customer loyalty and much more [3].

Using such a strategy based on the customer-oriented approach results in the following:

+ increasing the general competitiveness of the organization due to activating its market orientation;
+ reducing the costs of the organization by increasing the number of regular loyal customers;
+ observing both the clients’ interests and those of the organization due to competent segmentation;
+ increasing management efficiency by considering customer service as a comprehensive business process involving various departments.

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