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**PRODUCT QALITY AS A CRITERIA OF ITS COMPETITIVENESS**

**The problem**. In a market economy and intense rivalry the key factor of competitive advantage of producers,the criterion for evaluating the effectiveness of their business is quality. In economic literature, the essence of quality of production is treated by the following concepts: quality - a totality of properties, characteristics of products, goods, services, work, labour, causing their ability tosatisfy the needs and demands of people, correspond its purpose and requirements. Quality is a measure of conformity of goods, works and services standards and requirements, contracts, consumer demands.

Competitiveness and quality are the concentrated significance of the totality of possibilities of any manufacturer to create, produce and sell goods and services. [1].

**The analysis of recent researches and publications.** Description and features of competitive relations in social production became the subject of attention of many native and foreign scholars. Their efforts to the theory of competition are sufficiently being detailed, constantly enriched and developed.In theoretical works of Azoyev G., A. Brandenburh, P. Drucker, K. Marx, A. Marshall, J. Mill, M. Porter, K. Prahalad, D. Ricardo, J. Robinson, P.Samuelson, R.Fatkhutdinov, F. Hayek, G. Hemel, E. Chamberlin, J. Schumpeter, A. Yudanov and other foreign economists is formed the understanding of the role of competitive relations as a fundamental element of the market economy, are shown their transformation with the development of economic systems. Among the works of Ukrainian scientists published in recent years should be highlighted the fundamental works of O. Alexandrova, I. Balabanov, L. Varava, A. Voronkova, Y. Ivanov, A. Kovtun, V. Pavlov, S. Pakhomov, L. Piddubny, S. Sawchuk, J. Smolin, N. Tarnavska, O. Tishchenko, T. Futalo, V. Chernega and many other authors.

To the research on the theoretical and methodological and applied aspects of the competitiveness of agricultural enterprises in the field of restructuring and transformation of methods of management are dedicated works of native agricultural economists: Mr. Berezovsky, O. Buzhyna, L. Yevchuk, V. Zbarsky, S. Kvasha, B. Lypchuk, M. Malik, S. Miller, W. Mesel-Veselyak, S. Nesterenko, P. Sabluk, P. Putsenteyla, V. Tkachuk, O. Ulianchenko, G. Cherevky, A. Shkolny. Through the efforts of these and other scientists are formed the conceptual principles of the agricultural sector on the basis of competitive factors of environment, the criteria for assessing the competitiveness of the industry, approaches to their competitive advantages and so on.

**The aim of the research** is to methodize the research of domestic and foreign scientists and to foundate the vector of competitiveness of agricultural enterprises.

The quality management of products is a major factor of long-term success of any enterprise. The primary aim of agricultural enterprises in the conditions of market economy is providing of high-quality and competitive commodity.

Practical experience shows that this purpose is more frequently achieved at the enterprises with higher, more modern producing potential. The American specialist, who is known for the questions of quality, Edvard Deming in 1950 marked that by 85 % the solving of the problem of the quality of products depends on the quality of control system [1]. The question of quality management in the system of increasing of economic efficiency of agroindustrial subcomplex in the context of eurointegration is actual enough nowadays [2; 3; 4].

The greatest value to the dairy industry organizations represents the higher raw material and first grade one, with which you can produce high quality products. In Zaporizhzhya region in 2005–2012 the purchase of the highest quality milk increased from 12,2 to 21,4%. In 2005–2012 the content of fat in milk on the farms of all districts exceeded a normative base index. Annually the farms of Melitopol, Berdyansk and Priazovsky districts have the highest content of fat in milk. In these districts the content of fat in milk, for example, in 2012 was 4,08 –3,75%. Milk, which is produced on farms in Zaporizhzhya and Gulyaypil'sky districts, is characterized annually by low content of fat, that is connected with a non-observance of technology of milking the cows and insufficient feeding of animals (table).

Forming the cooperative stores in villages at organization of purchasing milk and bringing it to the processing enterprises on the set agreed prices, especially in raw material areas, will provide the trouble-free process of production on dairy factories, permanent use of producing capacities and financial rotation of money with the decline of prime price and receiving the excess profit.

For determination of the test mass of sold products it is suggested to involve in practice of managing a conditional fat- albumen unit (UZHBO), which is a complex index which characterizes the quality of milk at mass part of fat and albumen, calculated in percent on the offered formula:

* (1)*

where K– is a coefficient of correlation of base standard of mass part of fat and albumen in milk.

UZHBO at the normative indexes of content of fat and albumen can be counted by a formula:

* (2)*

where Zhn – normative content of fat in milk %;

Bn – normative content of albumen in milk %.

 *(3)*

Consequently, taking into account the content of fat and albumen in milk its test mass can be set at level – 3,2%.

Correlation of fat and albumen in milk and also the content of UZHBO characterize the data of the table.

The use in calculations of milk which came to processing enterprises, taking into account that which is recommended by UZHBO at the level of 3,2% will render positive influence on the cost of negotiation of a unit of products and on general money profit yield. We will show it on the example of recounting of milk which actually came to its test mass.

In 2012 the farms of districts of the area sold milk with the content of fat 3,6% and albumen – 3,10% in an amount 271280 c, 63205,5 thousands of Uah of money profit yield are got, there is 1c – 232,99 Uah at the average price of selling.

At actual data content of fat and albumen in milk of UZHBO will be:



The test mass of milk here will be – 3744139 c.



For milk in the test mass taking into account UZHBO of the farms of the area would get a money profit yield in a sum – 66760,95 thousands of Uah.

232,99 Uah. х 286540c = 66760,95 thousand Uah.

A difference in a money profit yield in behalf of commodity of producers of milk makes 3555,45 thousands of Uah (66760,95 thousands of Uah – 63205,5 thousands of Uah).

Table

Content of conventional fat-protein units in milk, sold by agricultural producers of [Zaporizhzhia Oblast](http://en.wikipedia.org/wiki/Zaporizhzhia_Oblast)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Districts (raions) | Ratio of fat and protein content, times | | Content of conventional fat-protein units (CFPU), % | |
| 2009 | 2012 | 2009 | 2012 |
| Berdyansk | 1,207 | 1,200 | 3,673 | 3,664 |
| [Vasylivka](http://en.wikipedia.org/wiki/Vasylkivka_Raion_%28Dnipropetrovsk_Oblast%29) | 1,197 | - | 3,495 | - |
| [Velyka Bilozerka](http://en.wikipedia.org/wiki/Velyka_Bilozerka_Raion) | 1,199 | 1,173 | 3,568 | 3,528 |
| Vesele | 1,151 | 1,152 | 3,631 | 3,599 |
| Vilniansk | 1,158 | 1,151 | 3,562 | 3,552 |
| [Huliaipole](http://en.wikipedia.org/wiki/Huliaipole_Raion) | 1,174 | 1,167 | 3,518 | 3,508 |
| [Zaporizhzhia](http://en.wikipedia.org/wiki/Zaporizhzhia_Raion) | 1,167 | 1,147 | 3,439 | 3,409 |
| [Kamianka-Dniprovska](http://en.wikipedia.org/wiki/Kamianka-Dniprovska_Raion) | 1,151 | 1,159 | 3,631 | 3,609 |
| [Kuibysheve](http://en.wikipedia.org/wiki/Kuibysheve_Raion) | 1,190 | 1,205 | 3,543 | 3,531 |
| Melitopol | 1,157 | 1,275 | 3,652 | 3,853 |
| [Mykhailivka](http://en.wikipedia.org/wiki/Mykhailivka_Raion) | 1,161 | 1,176 | 3,636 | 3,602 |
| [Novomykolaivka](http://en.wikipedia.org/wiki/Novomykolaivka_Raion) | 1,217 | 1,213 | 3,525 | 3,520 |
| [Orikhiv](http://en.wikipedia.org/wiki/Orikhiv_Raion) | 1,177 | - | 3,581 | - |
| [Polohy](http://en.wikipedia.org/wiki/Polohy_Raion) | 1,161 | 1,168 | 3,556 | 3,566 |
| [Pryazovske](http://en.wikipedia.org/wiki/Pryazovske_Raion) | 1,173 | 1,202 | 3,666 | 3,642 |
| [Prymorsk](http://en.wikipedia.org/wiki/Prymorsk_Raion) | 1,195 | 1,194 | 3,643 | 3,606 |
| [Rozivka](http://en.wikipedia.org/wiki/Rozivka_Raion) | 1,190 | 1,161 | 3,553 | 3,556 |
| T[okmak](http://en.wikipedia.org/wiki/Tokmak_Raion) | 1,195 | 1,190 | 3,701 | 3,670 |
| [Chernihivka](http://en.wikipedia.org/wiki/Chernihivka_Raion) | 1,217 | 1,193 | 3,547 | 3,558 |
| [Yakymivka](http://en.wikipedia.org/wiki/Yakymivka_Raion) | 1,257 | - | 3,585 | - |
| Total in the region (oblast) | 1,84 | 1,177 | 3,585 | 3,589 |
| On the basis | 1,133 | 1,133 | 3,585 | 3,581 |

At such money profit yield the selling price of centner of milk is 246,10 Uah (66760,95 thousands of Uah / 271280 c), or 13,11 Uah more.

An income from selling the products is 9543,6 thousands of Uah (63205,5 thousands of Uah – 44388,8 thousands of Uah), or on 3555,45 thousands of Uah more.

The level of profitability of production of milk is:



**Conclusions**. Due to the research of the current condition of agricultural production it became possible to determine the strategic direction of increasing and improving the quality of products as market competitiveness criteria:

* Increasing in grain the proportion of specific weigh of legumes which in total in grain feed crops should be 11–13%;
* Compliance with the terms of optimum providing of feed; increasing of specific weigh of legume crops -clover, lucerne in structure of seeding of perennial herbs;
* To improve the genetic potential of dairy cattle the wider use of the best breeds in the world – holshtynofryzska which is characterized by the highest genetic potential efficiency, the best form of udder, high speed milk flow, better adaptability to machine milking and feed efficiency;
* Increasing the productivity of cattle breeds and following veterinary and sanitary rules of milk production at dairy farms in the region.

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*Разглянуто конкурентоспроможність підприємства як його здатність здійснювати протягом тривалого часу ефективну діяльність, отримуючи прибуток від реалізації продукції на конкурентному ринку. Визначено, що конкурентоспроможність товару визначається наявністю у нього характеристик, здатних задовольняти потреби споживача, забезпечуючи тим самим можливість реалізації цього товару з вигодою для виробника. Сформульовані пропозиції відносно методичних підходів до оцінки конкурентоспроможності сільськогосподарського підприємства і якості його продукції.*

**Ключові слова:** конкурентоспроможність, сільськогосподарське підприємство, сільськогосподарська продукція, конкурентне середовище, конкурентна стратегія, інновації, інвестування, інтеграційні відносини, державне регулювання.

Рассмотрено конкурентоспособность предприятия как его способность осуществлять на протяжении длительного времени эффективную деятельность, получая прибыль от реализации продукции на конкурентном рынке. Определено, что конкурентоспособность товара определяется наличием у него характеристик, способных удовлетворить требования потребителя, обеспечивая тем самым возможность реализации этого товара с выгодой для производителя. Сформулированы предложения относительно методических подходов к оценке конкурентоспособности сельскохозяйственного предприятия и качества его продукции.

Ключевые слова: конкурентоспособность, сельскохозяйственное предприятие, сельскохозяйственная продукция, конкурентная среда, конкурентная стратегия, инновации, инвестирование, интеграционные отношения, государственное регулирование.

Theoretical, methodological and practical aspects of providing of the competitiveness agricultural enterprises are researched in the thesis. The theoretical foundations of the research of competitive relations in the agricultural sector are demonstrated. Methodical aspects of the competitiveness of farms and their products assessing are considered. The features of the demonstration of competitive relations with agricultural enterprises are revealed. The processes occurring in the competitive environment in certain segments of agrifood market are established. The proposals on institutional providing of the competitiveness of agricultural enterprises due to the development of integration relations in the agricultural production, government regulation of competitive relations in the agricultural sector, the improvement of intercompany relations in the agricultural enterprises are formulated.

**Key words:** competitiveness, agricultural enterprise, agricultural products, competitive environment, competitive strategy, innovation, investment, integration relations, government regulation.