

FACTORS FORMING COMPETITIVE ADVANTAGE

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ABSTRACT: The thesis contains the work of foreign scientists, scientific theoretical and practical rules devoted to the problems of formation and regulation of competitive advantage. Selected strategies for achieving competitive advantage are outlined.

KEYWORDS: Competition, strategy, competitive advantage, enterprise, efficiency.

INTRODUCTION

In the study of any socio-economic phenomenon, it is advisable to first approach it theoretically. This is necessary to avoid mistakes when dealing with a particular area. Practice makes the necessary changes and adjustments. In this regard, it is necessary to first approach it theoretically in the study of the competitiveness of enterprises.

Undoubtedly, the condition for ensuring the effective development of the enterprise is the formation of its competitive advantages. When we say the competitive advantages of the enterprise, we mean the positive features that provide the opportunity to obtain high and stable economic efficiency, a large market share over competitors.

The existence of competition in the domestic market in any country is a key indicator of the success of the market economy, as evidenced by the adoption of competition laws in many countries, including countries with economies in transition, and the establishment of national organizations to deal with these issues. In particular, the State Committee for Demonopolization and Development of Competition (Antimonopoly Committee) has been established in Uzbekistan, enterprises and firms of different forms of ownership, aimed at creating equal competitive opportunities for doing business.

THE MAIN FINDINGS AND RESULTS

R.O.Alimov, A.F.Rasulev, A.M.Kadyrov and others, competitive advantages of the country can be formed due to the main factors of production: natural resources, cheap labor and conveniences determined by the location and territory of the country. In addition, the competitive advantages

of the republic are that it can be based on an active investment policy in which investment is made in the best technologies, licenses and know-how.

The superiority of competition is discussed in detail in the works of the British economist M. Porter. Is it possible for Porter to implement multiple strategies at the same time? asks the question. Each of Porter's overall competitive strategies represents a unique approach to achieving a competitive advantage and maintaining it over the long term. Each strategy combines a certain type of competitive advantage that the firm seeks to achieve, as well as the scale of the strategic goal.

Usually, a company has to choose both types for itself, otherwise it will face a "stuck" fate between leaders and leaders. If a company tries to serve different market segments at the same time, focusing on costs or differentiation, it loses the profit it will gain if it does not focus its strategy on a specific target segment. Basically, the company manages to create two independent business divisions within a single corporation, and each division implements its own strategy. The British hotel firm Trusthouse Forte is a clear example of this: the company has created five separate hotel chains, each focused on a specific market segment. However, such a company must strictly separate the divisions that focus on the implementation of different strategies, otherwise none of these divisions will be able to achieve the competitive advantages expected from the implementation of the strategy chosen by management.

Strategic selection is an integral part of the strategy formation process and is a key element of it. In fact, not choosing a strategy means a general lack of strategy. Thus, it can be assumed that strategic choices are made only using analytical methods. In practice, however, enterprises face a lack of information necessary to develop adequate development alternatives under the influence of unforeseen circumstances and unforeseen factors. In the context of the ongoing global crisis, important natural, political and social problems, the management of most Russian and foreign companies must change their strategy. This is because the strategic alternatives that were previously effective do not meet the changing demands. Local enterprises operate in a dynamically changing environment, which makes it much more difficult to predict the development of the economy as a whole. However, strategy evaluation and selection criteria are one of the key elements of the strategic selection structure and an indicator of compliance with the acceptability of the strategy.

Barry K., Klulov V., and Christman J., on the other hand, stated that “a firm has a competitive advantage when it implements a value creation strategy”. The study of these advantages has aroused great scientific interest due to the modern problems associated with the high level of performance of firms in the modern competitive market.

It should be noted that the geographical consolidation of the country's companies only enhances domestic competition, the narrower the range of new local competitors, the more intense the competition between them, which, in turn, is a positive factor for production.

Domestic companies provide a basis for continuous improvement of the country's sources of competitive advantage, as domestic companies do not have the advantages of foreign competitors: factor costs, entry into the domestic market, or costs for foreign producers importing into the domestic market. As a result, this situation has a positive impact on a company that has more sustainable advantages and takes a more responsible approach to receiving assistance from the government, such as assistance in developing foreign markets, investing in certain educational structures or other special factors.

CONCLUSION

The availability of related and supportive industries in the country that are competitive at the level of the world economy is important for enterprises to gain a competitive advantage. Companies that supply materials and products for basic production need to be internationally competitive so that they can, in the first place, gain an advantage by providing more efficient production factors in terms of costs. Second, it provides for the modernization of innovation and production of related and supporting industries, as this advantage is based on the provision of rapid and constant flow of information between companies, the exchange of ideas and innovations, technical improvement.

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