

The Importance of a Business Model the following:

- Serves as an ongoing extension of feasibility analysis;
- Focuses attention on how all the elements of a business fit together and constitute a working whole;
- Describes why the network of participants needed to make a business idea viable would be willing to work together;
- Articulates a company's core logic to all stakeholders, including the firm's employees.

The business model describes, as a system, how the components of the business (i.e., organizational strategy, business processes) fit together to produce a profit. It answers the question: "How does this business work?":

1. The value chain is a model that many businesses and entrepreneurs use to identify opportunities to enhance their competitive strategies.

2. The value chain is the string of activities that moves a product from the raw material stage, through manufacturing and distribution, and ultimately to the end user.

3. By studying a product's or service's value chain, an organization can identify ways to create additional value and assess whether it has the means to do so.

4. Value chain analysis is also helpful in identifying opportunities for new businesses.

There are components of an effective business model.

The business model is the key factor that leads to success. It provides the starting point that allows a company to maximize its profits—the sooner the business model is in place, the better.

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THE SECRETS OF SUCCESSFUL MARKETING

What is marketing? One word: sale. It is no secret that most marketers do not care what you need, because profitable goods sold = profit in his pocket.

Scientists have spent more than a year, analyzing the behavior of consumers while shopping. The conclusion was predictable: in countries with right-hand traffic people walking around a store counterclockwise and vice versa. Therefore, a slight movement of the hands on your eyes when entering any wholesale store set item, enticing and outstanding shop with the best hand, and also the most beneficial for sale. On the same principle, the frame store: door, cash register, shelving, price tags, etc.

However, this principle only to large commercial premises. Regarding medium

and small companies, most often there are so-called consultants. There are several effective and proven ways of sale when consultant can sell you unnecessary goods.

1. The promotion.

To attract more customers brands are often put free trial samples. If the store is similar, the consultant will draw your attention to this item.

2. The weak point.

A few discreet questions from the consultant will introduce you and your preferences all. Thus you will leave the store with a suitable, but not the desired product.

3. Upsell.

The responsibility of each consultant to offer the consumer first new, then expensive, and only after acceptable for the price of the goods.

4. The persistence.

A sincere smile, friendly eyes, constant communication with the client, the greeting and farewell the ability to repeatedly return customer again to this store.

However, it should be remembered that these practices are not for all stores.

Thus, these secrets can help the consumer who does not want to be deceived by marketer who wants to sell goods.

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IMPROVING SUPPLY IN THE CONTEXT OF GLOBALIZATION

Nowdays, Ukrainian tube manufacturers face a lot of serious problems. On the one hand, the market tends to globalize and the business competition becomes more severe. On the other hand, the oil and gas sector, which appears to be the key client of tube-producing companies, is experiencing a major recession. Moreover, the trade barriers from Russia, the major customer for Ukrainian tubes, continue to grow.

Interpipe, a major tube producer, cannot ignore these difficulties. The company's annual production is more than 1,4 million tones. Interpipe possesses 4,3% of world's seamless tubing market and 12,8% of railway wheels market. In order to be more Europe-oriented, the company needs to use new promotion tools, widely used in Europe, in a more active manner. One of these tools is called BSCI – Business Social Compliance Initiative.

BSCI aims at initiating a stable improvement of supplying countries' activity by introducing monitoring of social responsibility in the world trade. However, all the suppliers shall have an estimation procedure as for compliance with the Code on a regular basis. Lots of the companies, who are BSCI members, have been already working in Russia, CIS and the Baltic states, therefore the suppliers' demand for an estimation services as for compliance with the BSCI Code is increasing.