

COMPETITIVE ABILITY OF PRODUCT

Market is the sphere of social relations, where the products are in competition with each other, compared and verified for compliance with social needs. When you buy a consumer selects the product it among similar products and buying just the one that satisfies his need for more. At a societal scale, the greatest recognition that uses a product that best suits a particular social need compared with the products of competitors. This makes it stand out from the general mass of commodities ensures success in the competition, that is, can say that it is the most competitive.

Hence, can conclude that, first, competitive ability can only be determined by comparing the products, that is, it is a relative measure, and secondly, in fact, it is a characteristic of the products, which reflects the difference from a competitor's product to meet a specific level of social needs.

When considering the choice of the buyer with the goods to him is particularly pay attention to such moments, characteristic of the process.

1. Comparing products that are recognized to satisfy the same need, the buyer takes into account their specific consumer characteristics, determines the degree of conformity of the product of their needs, it is available to measure the level of the consumer it means the effect of each of the products, and compares these effects.

At the same time, trying to buy a product that is more in keeping with the needs (i.e., the product with the highest consumer effect), the buyer cannot ignore the size of their expenditures to be associated with this product. He strives to achieve an optimal balance between the level of consumer properties of the product and its costs, that is, to get the best effect for the consumer per unit costs. This product, which is the highest ratio in comparison with the products-analogues, and is the most competitive. So, to determine the competitive ability of any product should not simply compare products according to their specific needs, but also take into account the costs to consumers.

2. Assessing consumer product properties, the buyer does not go into what, what means and to what level it costs the producer was created. Furthermore, the buyer is not interested in the structure and selling price of goods. Most often, he is unable to obtain information about its composition. Since the buyer is not interested in the product itself, and its ability to most effectively meet the needs compared with other commodities, the selling price to the buyer is one of the parameters that determine the effect, and thus the competitiveness of the product,

which he buys.

3. For a consumer purchase, means only a prerequisite, the starting point of the process to meet the need, which is not a single factor, but with a certain period. In addition, for many types of products to their consumption cannot begin immediately after purchase. Product is to deliver, install, test, start-up, etc. Customers or staff to be able to use any product must be qualified. A skill acquisition drags certain costs, especially for technically sophisticated products.

In order to satisfy their need for the buyer has costs associated with the acquisition of a product (the price), and with its use. The total of these costs is for him "the cost to meet the need" ("the price of consumption"). Consumer price to the buyer is a factor that determines the competitive ability of product.

Thus, competitive ability of product is a characteristic product, which displays its difference from the goods of a competitor, both on the extent to which specific public need, and for the costs of its satisfaction.