## Mazorchuk A. P., Zimbalevska Yu. V. Kyiv National University of Technologies and Design PRODUCT QUALITY AS THE MAIN INDICATOR OF COMPETITIVENESS OF THE ENTERPRISE

Abstract. The article examines the most important factor in the successful operation of any organization, that is, the quality of products and services. In today's world, consumer demands for product quality have become significantly stricter. An important manifestation of great attention to product quality is the "Draft of the Law on Quality and Protection of Consumer Rights" published in 2006 and the Decree of the President of Ukraine "Measures to Improve the Quality of Domestic Products", which entered into force on 23.02.01, which legally enshrines modern state policy, which is aimed at the production of high-quality, competitive products, established organizational, legal and economic relations between participants in the development, production and use of products. According to DSTU 2995-94, quality is a set of product characteristics related to its ability to satisfy established and anticipated needs. According to DSTU ISO 9000-2001, quality is the degree to which a set of distinctive properties satisfies formulated needs or expectations, generally understood or mandatory. The term "quality" can be used with such adjectives as good, bad, or excellent.

**Keywords:** product quality, enterprise competitiveness.

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Анотація. Досліджено найважливіший фактор успішної діяльності будь-якої організації, тобто, якість продукції та послуг. У теперішньому світі вимоги, що висуваються споживачем до якості продукції стали суттєво жорсткішими. Важливим проявом великої уваги до якості продукції є опублікований у 2006 році «Проект закону про якість та захист прав споживачів» та Указ Президента України «Заходи про підвищення якості вітчизняної продукції», котрий набув чинності 23.02.01 року, де юридично закріплена сучасна політика держави, яка спрямована на виробництво якісної, конкурентоспроможної продукції, встановлені організаційні, правові та економічні відносини між учасниками розробки, виробництва і використання продукції. Згідно ДСТУ 2995-94, якість — це сукупність характеристик товару, що стосуються її здатності задовольняти встановлені та передбачені потреби. Згідно ДСТУ ISO 9000-2001, якість— це ступінь, до якого сукупність відмінних властивостей задовольняє сформульовані потреби або очікування, загальнозрозумілі обов'язкові. Термін «якість» можна вживати з такими прикметниками як добра, погана, або відмінна.

Ключові слова: якість продукції, конкурентоспроможність підприємства.

**Statement of the problem in a general form.** In the modern world, it is necessary to improve the quality of products due to such circumstances as: a change in consumer demands of the population, the development of foreign trade, the needs of scientific and technical progress, a lack or limitation of natural resources, an increase in the importance of material stimulation in market conditions.

A brief analysis of recent research publications. Ways to improve the quality of products of enterprises on the market were studied by such scientists as: S.M. Bezrodna, V.M. Hrynyova, V. Balakirev, T.K. Vozniuk, O.A. Burnukina, O. Dobrovolskyi, N.V. Mysko, T.Yu. Kyrychok, V.S. Kaidashov, S.A. Korol, G.I. Kuzmina, D.F. Krysanov, O. Lysa, A.P. Strokan, O. Prokopyshyn, V.V. Levkulych.

**Highlighting unresolved parts of the general problem.** The quality of manufactured products is determined by a set of evaluation indicators and reflects the degree of advantages of the enterprise and its competitiveness over other enterprises. Product quality is a certain comprehensive comparative characteristic of its activity.

**Setting objectives.** The purpose of the article is to research ways to improve the quality of products on the market, as well as to identify problems and prospects for effective improvement of product quality at the current stage.

Research results. When developing the economy of our country and trying to raise it to the world level, business entities face a number of important issues that need to be resolved. One of the most important issues is increasing the competitiveness of national producers of goods and services, as well as their possible access to European and world markets. In order to solve this task, the implementation of a whole complex of technical and innovative, legal and structural and organizational measures is required. Among them is the adaptation of the national system of standardization, metrology and certification (procedures and bodies for assessment of responsibility, technical standards, etc.) to the system of technical regulation of the European Union [3].

The level of competitiveness of the enterprise makes it possible to attract foreign investments, characterizing its investment attractiveness, and also creates prerequisites for the development of individual enterprises and scientific and technological progress. The enterprise has more opportunities for development in the middle of the country, even after entering the foreign market, if the level of competitiveness of its products will improve. The most important factor in the successful operation of any organization is the quality of the products and services it offers. Each enterprise, as a subject of entrepreneurial activity in a market economy, must ensure such a state of its economic activity, in which it could stably maintain the ability to smoothly fulfill its financial obligations to its business partners, owners, employees, the state and earn a profit. The effectiveness of the company's operation on the market directly depends on quality management, so many companies try to plan the process of establishing quality management in detail.

Enterprises pay special attention to ensuring the high quality of products, establishing control at all stages of production, starting with high-quality raw materials and ending with the compliance of the released products with technical characteristics and parameters not only during its examinations, but also in operation, and for complex types of products also providing a specified period of warranty after installation [7]. Therefore, product quality management has become the main part of the production process and is aimed not only at identifying defects or defects in finished products, but also, most importantly, at checking the quality of the product during its manufacture and operation.

Competition is an integral attribute of the market economy and plays a very important positive role. For the enterprise, competition is a great driving force for accelerating scientific and technical progress and the production of competitive products. Competing, the enterprise not only introduces something new and advanced, but also uses all available resources in the enterprise in the most rational way.

The competitiveness of an enterprise is its ability to successfully compete in a specific market (sales region) in a certain period of time through the production and sale of competitive products and services.

In today's world, product parameters such as environmental friendliness, energy efficiency, aesthetic qualities, and safety have become important. Previously, the reliability, image and reputation of the manufacturer or supplier, and its prestige played an important role [12]. It can also be said that trademarks and trade marks of enterprises are becoming important tools of competition.

The most important factor in the successful operation of any organization is the quality of the products and services it offers. In today's world, consumer demands for product quality have become significantly stricter.

From a marketing point of view, quality should be measured in terms of purchase perception. Enterprises must establish a level of quality that meets the needs of the target market and the quality levels of competitive products [4].

The main rules of the study of the goods competitiveness are the follows. First of all, it is necessary to take into account the requirements of consumers for the product. Product quality research should be conducted on the basis of modern achievements of science and technology. Every study of the quality of goods should be carried out taking into account its economic feasibility. Product quality research should be done throughout the entire product life cycle.

Factors that affect product quality include those that directly affect quality and those that stimulate quality improvement. The first group includes manufacturing factors: quality of equipment, tools, quality of raw materials, observance of technological labor regimes, quality of workers' work. The second group of quality-stimulating factors includes the material interest of workers, economic efficiency, increasing the level of product standardization, sanctions for the production of low-quality products [8].

In today's world, product parameters such as environmental friendliness, energy efficiency, ergonomic and aesthetic qualities, and safety have played an important role. Previously, the reliability, image and reputation of the manufacturer or supplier, its prestige, became important. It can also be said that trademarks and trademarks of companies are becoming important tools of competition.

The concept of quality is complex and multifaceted. It applies not only to products and services, but also to organizations, institutions and enterprises, their management systems and personnel. Product quality is a set of product properties that determine its suitability to meet certain needs in accordance with its intended purpose [15].

Some have two characteristics: level and permanence. The quality level is intended to ensure the position of the company's product in the target market. Moreover, from the point of view of marketing, quality should be measured in terms of purchasing perception. Enterprises must establish a level of quality that meets the needs of the target market and the quality levels of competitive products.

As the level of requirements changes, so does the quality offered to the product. For example, for buyers, quality can be the ability to satisfy needs in the process of using the purchased product. But for manufacturers, the concept of "quality" is much broader, it primarily determines the effectiveness of their marketing activities, such as the level of prices, production costs, etc. In the international market, such components of quality as: packaging, design, color, ergonomic features (ease of use, supervision, repair) are given importance [1].

Factors that in a certain way affect the quality of products, depending on the general or partial conditions of its creation, play a large role at each stage of quality formation. Factors can act independently, and also in the interrelationship between themselves, can at individual stages of the life cycle of products, and at several. All factors can be grouped into four groups: technical, economic, organizational, subjective.

The technical factors include: redundancy system, scheme of serial connection of elements, design, manufacturing technology, schematic solutions, technical level of the design base, manufacturing, operation, means of technological maintenance and repair, and others [4].

Economic factors include: cost price, forms and level of salary, price, degree of increase in productivity of public labor, level of maintenance costs.

Organizational factors include: forms of organization of production processes, division of labor and specialization, forms and methods of control, rhythmicity of production, forms and

methods of transportation, storage, operation, maintenance, order of presentation and delivery of products.

Unfortunately, organizational factors are not yet given as much attention as technical factors, so quite often perfectly designed and manufactured products lose their high quality much earlier due to poor organization of production, transportation, repair and operation.

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How important these factors are is evidenced by the fact that there is a widespread opinion among manufacturers about the economic benefit of raising and improving quality. At the same time, quality is considered as a desirable goal, but its influence on increasing profitability is considered minimal [7]. This can be explained by the lack of awareness of manufacturers who make such mistakes.

The creation of a healthy social and psychological climate in the team, training of personnel in the spirit of dedication and pride for the brand of their company, normal working conditions, moral stimulation of employees for conscientious attitude to work are largely influenced by social and psychological factors, and all these are important components for production of competitive products. Sometimes it is even difficult to understand which factors are important for solving the problem in question – technical or socio-psychological [12]. All these factors are interconnected and all of them affect the quality of products.

Ensuring high quality requires an appropriate material base, qualified, responsible, motivated personnel, and, most importantly, clear quality management. That is why there is such an interest in improved quality management on the part of companies that have realized the rule: you cannot count on a stable increase in product quality without implementing a quality system that corresponds to the current level of work organization in this area.

No investment will save the enterprise in market conditions if it cannot ensure the competitiveness of its goods and services. Quality is the basis of competitiveness. And although, in addition to quality, competitiveness includes price, guarantees, delivery times, design, utility, service and a number of other elements, but buyers and customers prefer quality. The state can force the enterprise to ensure the necessary quality of products in order to exclude terrible disasters (such as Chernobyl), reduce the number and prevent accidents in sea, railway, pipeline and aviation transport, mines, and prevent people from being poisoned by food product [10]. It is important that products and technology are safe for people and do not harm the environment due to the fault of people who do not want or cannot provide the necessary quality for their prosperity.

The problem of ensuring the quality of goods is complex: economic, technical, social and scientific, and highly qualified specialists who are well versed in modern quality management methods should participate in its solution, regardless of the sector in which they work: public or private, in large enterprises or medium and small, because the basic principles of organization and quality assurance do not depend on the size of the enterprise [8]. Therefore, all work to improve the quality of products must be based on a thorough scientific base, on a sufficient stable foundation and, above all, on the science of product quality.

Two indicators are currently used to assess product quality: the differential method and the complex method. The differential method consists in using single quality indicators and comparing them with the corresponding basic indicator, which is selected from other sources. That is, they check the compliance of these indicators, and whether there are deviations.

The complex method of product quality assessment consists in the fact that the assessment of product quality is measured by one generalizing indicator (for example, the shelf life of the product in the refrigerator) which is compared with the quality base indicator.

The competitiveness of the enterprise is higher if the competitiveness of its products is high. Various marketing methods are also used to determine its competitiveness, most of which are based on the search for a price/quality ratio. Competitiveness indicators are calculated for each type of company's products. To determine the competitiveness coefficient of the enterprise itself, the weighted average value is found among the indicators for each type of product, where the weight is the volume of sales of the corresponding type of product. This approach has undeniable advantages, which is that it takes into account one of the most important components of the enterprise's competitiveness — the competitiveness of its products. Among the disadvantages is that it gives a limited idea of the advantages and disadvantages of the company's work, because it does not affect other aspects of the company's activity [6].

Conclusions. The competitiveness of the product shows the degree of its attractiveness for the consumer. But significant parameters and factors are uncertain. Therefore, this fact prevents the strengthening of positions and improvement according to those parameters that satisfy the obvious and hidden needs of the consumer. Therefore, the main task is the development of new and improvement of old methods of determining the competitiveness of products for the correct assessment of the specific position of products on the market.

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