

POSSIBILITIES FOR THE FORMATION OF A SUSTAINABLE RETAIL ASSORTMENT

Under the market mechanisms of functioning of the economy it is inherent for commercial enterprises to search for new approaches to the formation and the sustainable trading range. These approaches are associated with capabilities to better meet the requirements of target users by adopting various strategies to diversify trading business based on distinctive features, the specific characteristics of the goods, the commercial format, attractive design, and high reputation. Collectively, these features ensure high customer satisfaction.

The main objective of this paper is to examine more meaningful opportunities to shape a sustainable commercial assortment that helps create economic benefits for the business enterprise.

Achieving the meeting of these research purposes presupposes the consistency of the exhibition.

In its economic nature, as confirmed in its development, by a number of researchers headed by J. Nunes, the formation of the range is a complex process of selection of different commodity groups, types and varieties differentiated by distinctive signs with purpose of offering and selling on the retail premises.¹ This process should take into account the chosen form of commodity specialization, size of the commercial area and the particular organization and technology of the trading process.

In the highlighted research direction, F. Kotler highlights the need for separation of these two stages:² analyzing the commodity lines, including a permanent collection and processing of data on volume and value of sales and profits in individual commodity units; adoption of decisions on the length of the commodity lines, and also the needs for updating or shortening.

When displaying the essence of the process, theorists in the literature available shaping sustainable range take into account the economic objectives of the business on the basis of criteria to increase sales volume and profit maximization.³ Compliance with this fundamental definition allows us to outline the directions of the research process which finds expression in: assessment of products on the basis of analytical data reporting the structure of sales, showing the relative shares of different commodities and commodity groups in the total value amount of the sales; Assessment of the micro-ambient environment of the commercial enterprise.

The analysis of the various methods of forming the commercial range and ensuring its sustainability allows you to highlight certain similarities. In its entirety the study methods emphasize the importance of the market acceptance of the goods and evaluation of the results in terms of the economic efficiency of the activity of the trader. To this end analytical trend data are required, the nature of which can be represented graphically using Fig. 1:

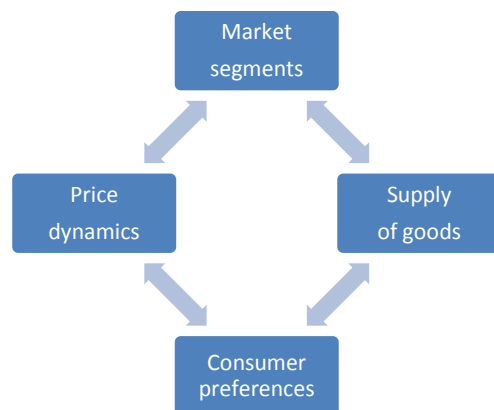


Fig. 1. Interconnection of basic databases for the sustainable development of the commercial range

Source: Breisch R.A. et al. How does assortment affect grocery store choice? // Journal of Marketing Research, 2009, Vol. 46, № 2, p. 37.

The basis of the formation of the commercial assortment substantiates the understanding that each item in the set to a certain extent affects the financial position of commercial enterprises. Timing of the presence of goods on the market, as the demand by the consumers of new products and market products proves to be different.

Consideration of the range in terms of including goods of different price range is of substantial importance in

¹Boatwright, P., Nunes, J.Reducing Assortment: An Attribute-Based Approach. Journal of Marketing 65 (3), 2001, p. 50-63.

²Котлер, Ф. Основы маркетинга. Издательский дом „Вильямс“, Санкт-Петербург, 2007, с. 263.

³ Дихтль, Е., Х. Хершген. Практический маркетинг: Учебное пособие. Изд. „Инфра-М“, Высшая школа, 1996, с. 59.

the context of heightened competitive struggle. Pricing decisions directly affect the level of sales and become an essential prerequisite for achieving the competitiveness of goods and commercial enterprises.

The studies of the commercial practice show that cutting costs in the supply chain is carried out by such retailers as retailer chains by building regional logistics centers. Suppliers make the movement of goods to the relevant logistics platforms where there is regrouping, consolidation and sending to stores. This approach reduces transport costs as distributors deliver the necessary stocks directly into the central warehouse of the retail chain. Manufacturers also conduct similar supplies with their own transport.

Along with proper formation substantial importance is ensuring the sustainability of the assortment of goods. This indicator is one of the main status and development of the range of commercial enterprise. In this direction it is perceived that the indicator resistance characterizes variations in the width and depth of the assortment, occurring over a period of time.

Vendor stability or stability of the range characterizes the continued availability of goods of the corresponding type or variety for sale. On the one hand, sustainable assortment in the store associated with the ability to purchase goods with strong demand and also to shorten the time for decision and implementation of purchase. On the other hand, the formation of a sustainable range allows increased efficiency of the process of buying and selling.

The pursuit of commercial enterprises of a chain type to attract the largest possible number of users and increase the volume of sales and profits drives a significant increase in the range of offered goods. In this direction observance of the market analysis to support a finding that over the last decade in modern supermarkets for groceries has offered hundreds of thousands of items, taking into account a considerably exceeding range offered by this type of shops in previous years.

While recognizing that the pace of growth in the range greatly exceeds the rate at which retail space and shelving space in stores is increased. On the other hand, the expansion of the assortment is not always appreciated by users who need to undertake the merchants of additional costs for the renewal of stocks.

During certain periods of operation, such big retail chains like Walmart and Kroger Co, act on lowering the range. Sustainability in the development and management of commercial assortment requires flexible solutions that create a balance between the benefits for consumers and the cost of commercial enterprises at amending the set. Thus the data given help adduce evidence to establish that in the theory and practice there is no universal approach to sustainable development of the trading range.

So the theoretical study allows you to highlight that in the process of examination of the nature and role of the solutions for the sustainable development of the commercial range stand out a number of issues, representing not only theoretical, but also practical problem. Sustainability becomes a direct measure of the dynamic changes occurring as a result of the application of modern concepts to create market advantages. One source of these advantages are used innovative approaches to form and to ensure the sustainability of the commercial range.

The review of literature is to generalize that in terms of the modern global economy for commercial enterprises like the constant search for new approaches to formation and the sustainable development of the assortment. These approaches are associated with opportunities for a better satisfaction of target customers by embracing the different strategies for the diversification of trading business, based on the distinctive characteristics, the specific characteristics of the goods, the commercial format, attractive design and high end image, ensuring increased client satisfaction.

In conclusion, it can be summarized that the attempt to examine and interpret the nature of the complexity of policy choices and sustainable development of the commercial assortment is the basis for the phrasing of the following important **conclusions**:

First. On the basis of the evidence adduced by theoretical arguments to account for the chosen form of commodity specialization, size of the commercial area and the particular organization and technology the sales process displays the characteristics and specifics of the formation of the assortment as a kind of selection process of the various commodity groups, types and varieties differentiated by distinctive signs to in view of offering and selling on the retail premises.

Second. Implementation of appropriate economic instruments allowing the identification of the key elements of the system of formation of a sustainable commercial assortment turning into a direct measure of the dynamic changes of the normal business of a commercial enterprise.

In view of the scrutinized problems it can be concluded that the benefit of using effective approaches to the formation and sustainability of the trading range find expression in the creation of search market advantages of the commercial enterprises.