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Yusif Guluzade
Baku Business University
master student
yusif.guluzadeh1@outlook.com

REGULATION AND OPTIMAL ASSESSMENT OF CONSUMER BEHAVIOR IN THE "BAZAR STORE" CHAIN OF STORES IN THE FIELD OF RETAIL TRADE

Abstract

The right choice of competitive strategy is very important in the development of retail business. In this respect, understanding the nature of competition is important. One of the basic tasks of business is to closely monitor competition and develop strategies that can affect the relationship between them. Often, marketing strategies are used in competition with aggressive strategies. A frequently used phrase is derived from a military experience. Companies must consider a variety of factors when formulating their competitive strategies. These include the company's objectives and resources, managers' awareness of risks, the market environment, and the company's position within the market. Companies must consider a variety of factors when defining their competitive strategy, including the company's objectives and resources, managers' risk perceptions, the market environment, and the company's position in this market.

Keywords: *consumer behavior, competition strategies, sales management, retail trade area, entrepreneurship*

Yusif Quluzadə
Bakı Biznes Universiteti
magistrant
yusif.guluzadeh1@outlook.com

Pərakəndə ticarət sahəsi üzrə "Bazar Store" mağazalar şəbəkəsində istehlakçı davranışının tənzimlənməsi və optimal qiymətləndirilməsi

Xülasə

Rəqabət strategiyasının düzgün seçilməsi pərakəndə ticarətin inkişafında mühüm rol oynayır. Bu nöqteyi-nəzərdən rəqabətin mahiyyətini anlamaq vacibdir. Marketinqin əsas funksiyalarından biri rəqabəti diqqətlə izləmək və rəqiblərə qarşı effektiv fəaliyyət təşkil etməkdir. Marketinq elmi rəqabət sahəsində döyüş meydanının taktikalarını geniş istifadə edir. Tez-tez eşitdiyimiz ifadə hərbi sahədə ilk dəfə istifadə edilmiş sözdür. Şirkətlər rəqabət strategiyalarını müəyyən edərkən bir neçə faktoru nəzərə almalıdırlar. Bu amillər şirkətin hədəf və resurslarını, menecerlərin risk qavrayışlarını, bazarın strukturunu və şirkətin bu bazardakı mövqeyini əhatə edir. Şirkətlər rəqabət strategiyalarını müəyyən edərkən bir neçə faktoru nəzərə almalıdırlar. Bu amillər şirkətin hədəf və resurslarını, menecerlərin risk qavrayışlarını, bazarın strukturunu və şirkətin bu bazardakı mövqeyini əhatə edir.

Açar sözlər: *istehlakçı davranışı, rəqabət strategiyaları, satışın idarə edilməsi, pərakəndə ticarət sahəsi, sahibkarlıq*

Introduction

Economic transactions highlight the central role of retail stores as the primary channel for product sales. Retailers choose products based on the distribution of the business by region, distinguishing them from other types of businesses. Real estate businesses encompass a variety of settings, including individual entrepreneurs, small firms, organizations, and partnerships. The effectiveness of businesses depends on whether another service, whether free or paid, is intended to

attract more customers. Effective organization of merchandising activities within the retail sector ensures product distribution, meets the demands of the general public and ensures business success.

Functions in the retail sector, such as order processing, assembly, packaging and delivery, post-purchase services, and effective sales facilitation, play an important role in the competitive battle for customers. People's actions, especially when choosing and buying products, are considered to be the sum of their specific actions. The purpose of studying and modeling consumer behavior is to identify, classify, and ensure compliance, which involves various stakeholders such as employees, authorities, decision makers, buyers, users (consumers), payers, and media (Shukurov, 2007: 424).

Customer behavior is initially influenced by their typology, grouping them into end-consumer and business behaviors, based on similar behavioral patterns. Critics often argue that modern business has shifted from meeting demand to creating demand, but modern economic theory provides no basis for refuting these claims. Despite the economists' emphasis on utility over consumer choice, the role of the state, including trade, in creating demand has remained a fundamental issue in the context of trade. According to F. Kotler, marketing aims to influence consumer desires and demands by making products more attractive, affordable, and convenient. Marketers argue that products like "Cadillac" meet consumer demand for social status. While marketing does not directly create demand, it does show how that demand can be addressed with certain incentives (Mansoori, 2009: 109).

Furthermore, criticisms of consumer negligence are contradicted by facts, such as failed new products failing to gain market share. Consumers agree with his wisdom, and companies recognize it. Thus, debates about "real" and "fake" research revolve primarily around conceptual quality, given the practical difficulty of addressing the issue scientifically.

In summarizing the perspectives of economists and business scientists, the following key points emerge: Economists study motivational issues, whereas marketers focus on desires and values. Economists question the autonomy and robustness of consumers' strategies and actions, reflecting on potential dynamics. Much of the demand comes from a cultural origin, with the relationship between society and technological progress shaping these demands (Abbasov, 2005: 656).

Understanding people's behavior involves explaining the motivations and responses that influence purchasing decisions that are shaped by individual personality and decision-making styles. Specialty markets attempt to capture consumers' mental processes during external stimuli and purchase decisions. In a mercantile economy, retail trade is as important as the primary means of selling goods.The choice of retail marketing is influenced by the regional organization of the business network. Businesses cover a variety of markets including sole proprietorships, small industries, cooperatives, and joint ventures. Retail outlets serve the end consumers, completing the sale of goods. Success in the retail industry depends not only on customization, but also on carefully tailoring merchandise categories to match the demands and preferences of existing shoppers awake (Allahverdiyeva, 2010: 75). Many brands compete for retailers by offering a wide range of free and paid services aiming to attract more customers to their stores. Retail sales involve the direct supply of goods and services to end consumers for personal, non-commercial use by multiple manufacturers, wholesalers, and retailers.

Market leaders gain market share and maintain their reach by focusing on effective pricing policies, strong advertising, extensive distribution channels, new technologies, and continuous innovation. Companies with limited market share may have two options: they can implement an aggressive strategy to capture market share from competitors, especially the leaders, or they can maintain the status quo by following the leader. Military strategies are used by companies to attack and gain market share from competitors or to defend their existing position. Offensive strategies aim to bypass the market leader, while defensive strategies are employed by market leaders and other firms aiming to protect their market position (Journal of Marketing, 2011).

Some defense strategies are as follows:

− prevention of competition by creating barriers to entry (mainly adopted by leaders),

− rapid retaliation in case of a competitor's attack,

− reducing prices to maintain market share.

Strategies must evolve because market conditions are constantly changing. Competitive strategies must take account of these market changes, which in turn requires continuous adjustment. In this sense, competitive strategies are unstable; they require constant supervision and refinement. Overall, the business environment has a significant impact on the overall economic growth of the country. It serves as an important link between manufacturers and retailers, enabling the exchange of goods and services (Akhundov, 2003: 591).

Effective business environments are critical to meeting consumer demand, fostering economic growth, and fostering healthy competition in the marketplace. Retailers must tailor their strategies, whether offensive or defensive, to match market dynamics and consumer preferences to ensure sustainable success in an ever-changing business environment. In competitive environments, enterprises must constantly monitor and analyze market competition in order to achieve success and maximize revenue and financial gains.

First, because of the difficulty in defining industry market boundaries, a firm can coexist with its competitors by focusing on product differentiation rather than direct market competition. For example, a wristwatch manufacturer can position its product simply as a fashion accessory, but differentiate it as a timepiece device, sitting together a gift maker alongside the others (Manafov, 2008: 249).

Second, firms operating in different geographies may view each other as competitors. For example, a manufacturer of off-road vehicles might view off-road equipment manufacturing companies as competitors, co-existing in the off-road consumer market.

Third, a particular industry can identify competitors based on specific market characteristics, such as geographical location or ownership differentiation, and co-locate accordingly.

In a collaboration, firms collaborate, pooling their resources, expertise, and interests to solve common problems and take advantage of the resulting opportunities. Long-term research agreements, licensing, joint ventures, and joint ventures are typical cooperative strategies aimed at gaining a competitive advantage. Companies may use a variety of strategies such as market expansion, capturing competitors' market share, mergers or acquisitions of competing industries or companies, and strategies to achieve objectives such as; say to increase market share or sales volume (Kotler, 2008: 85).

Functional competition, coordination, and strategic partnerships are key factors in solving competitive behavioral problems. Market expansion can be accomplished by: a) entering new markets, including international markets or unserved regions in a country, and targeting larger market segments; (b) introducing new product features and applications; c) instilling a sense of urgency in purchasing, among other measures, to attract new consumers and expand product sales.

If market expansion is not feasible due to stagnant market growth, a firm may resort to strategies such as capturing or conquering the market share of competitors. This strategy can take many forms, including a frontal assault, siege, occupation, flanking maneuver, or guerrilla warfare.

Frontal Assault (Head-On Attack) Strategy: This involves targeting the attacking side’s forward positions on the defensive side, usually the market leader. Success depends on the attacking side gaining a recognized and sustained competitive advantage, which allows them to offer higher costs to consumers and reduce the defensive side’s response. In order to win, the attacking side must not follow the leader in other operations (Porter, 1993).

John Deere, for example, has gained an edge over Caterpillar in the earthmoving machinery market by producing more efficient machines even as it lags behind in after-sales service efficiency. The defender’s ability to launch attacks is limited, increasing the attacker’s chances of success. Encircling strategy: Here the attacking side focuses on targeting unprotected or heavily defended positions of the defense.

Next's success, for example, has been built on targeting an underserved segment of the market – women aged 25-40 who are struggling to find affordable clothes – rather than competing directly to established outlets. The perimeter benefits from a typically weaker response of the defense to

attacks on strong points compared to forward attacks. However, if the defending team doesn't get a look at the weak spot or doesn't respond quickly enough, the attacker can take advantage of that later.

Most of the plant and animal products sold by the company are priced below their appraised values, indicating that there is no support system. This is indicated by the fact that the Nominal Coefficient of Protection for Outputs (NPCo) is below one for manufactured goods, indicating the potential benefits of these subsidies. With special exceptions such as cucumbers, watermelons, melons, carrots, radishes, mussels, fish flesh, and chicken, most are sold for more than their estimated value. This model illustrates market conditions that encourage the potential for value added and profit redistribution, mostly due to limited demand for consumables (Pride, 2009: 573).

Agricultural and industrial sector relations also have a significant impact on the prices of domestic plant products, often falling below competition. Research shows that most manufacturing capacity is supported by raw materials, with a portion of the generated added value being diverted to support services. However, there are cases where added value does not remain in production but goes to supporting final products. For example, while a small portion of the income from wheat production is reinvested, most contribute to consumers through lower bread prices (Bulatova, 2003).

In addition, the lack of development of the supply chain keeps domestic prices lower than the international competition. The business strategy of the bazaar store does not cover the entire region, allowing for the uncontrolled growth of each intermediary, especially in terms of perception. The difference between farmers' open sale prices and consumers' final market prices varies widely.

Evaluation of Factor Conditions

The extensive commercial sector relies on commodities grown to suit local climatic conditions, making it closely related to geographical commodities, where production depends on soil and climatic conditions. The assessment of sectoral capacity, therefore, requires first consideration of the socio-spatial structure of the country. Located between 38°25' – 41°55' north latitudes and 44°50' – 50°51' east longitude, the Azerbaijani National Park occupies a geographical area strategically located at the meeting point of Europe and Asia (Ansoff, 1989: 519).

It covers an area of 86.6 thousand square kilometers with a border length of about 2,850 km, extending 400 km from north to south and 500 km from west to east. Bordered by the Caspian Sea to the east, offering the best waterways with the world, and boasting excellent land transportation routes reaching the Black Sea to the west, Azerbaijan shares borders with Iran and Turkey to the south, Armenia west and southwest, northwestern Georgia, and northern Russia. With 42 % of its territory covered by mountains and 58 % by foothills and plains, Azerbaijan's agricultural land accounts for 54.8 % or 4,740 thousand hectares of its total land resources. Of these, 39 % are agricultural land, 3 % are perennial crops such as gardens and vineyards, and 56 % are pastures and farms.

Evaluation of Demand Conditions

In Porter's view, demand conditions include both domestic demand and potential opportunities in foreign markets. The characteristics of the development of the retail sector vary between countries, although they show variation depending on the level of development.

When these characteristics are categorized, they are seen to fluctuate in the short and long term. In the short run, specific demand patterns in a country's supply chain include price pressure. This phenomenon is particularly evident in the retail sectors of developing countries, where retail turnover rates typically fall between 0.20 and 0.25. This indicates that consumers do not significantly increase demand for products in response to a particular price increase in retail markets.

Consequently, even a significant price reduction in the retail market results in only a small increase in consumer demand. Such behavior may result from mutation effects and lower marginal utility. In our country, the observed consumer demand price elasticity is as follows:

Table.

The price elasticity of supply for agricultural products in the retail trade sector

Names of agricultural products	Percentage change in demand for a one percent change in price
grain products	0,33
beef and poultry meat	0,98
grapes and berries	0,31
vegetables and garden crops	0,23
eggs	0,98
milk and dairy products	0,45
potatoes	0,43

Changes in price have little effect on productivity or supply, as retailers adjust their carrying capacity to the additional costs incurred in retail outlets. Reliable findings from studies on this subject indicate that supply and demand fluctuations in the retail supply chain represent limited development. The results of this study indicate that domestic demand for retail business products remains stagnant. With respect to demand in foreign markets, although there may be competition, the realization of this capability has not resulted in additional demand for consumer merchandise.

In addition to the short-term characteristics mentioned, there are long-term characteristics. Over time, the demand for the products of the retail trade shows a strong economy. This characteristic is determined by several factors: firstly, the low level of income accorded to the consumption of retail business products. It is implicitly assumed that a 10 % increase in population income is associated with a 2 % increase in consumer product sales.

The first constant factor that influences the long-term cost-effectiveness development of retail business products is customer growth. However, the relative rise in retail product consumption due to population growth and rising income never exceeds the growth rate of retail business product usage.

Conclusion

The study concluded the following:

Retail performs several functions that increase the value of the goods and services they sell:

1. Provision of a certain range of goods and services.
2. Breaking down incoming batches of goods.
3. Storage of goods.
2. Providing services.

These services represent a fraction, ranging from 20 % to 50 %, of the value of goods sold in retail outlets. The analysis of these activities serves to highlight once again the role and importance of marketing in society. Analysis of the statistics shows that there has been a significant increase in retail transactions, paralleled by an increase in transactions.

The increase in real income among the population, the increasing production of goods, and the diversification of available goods underscore the importance of continuing to develop and develop the retail sector. Retail space expansion is a primary goal of retailers, resulting in an increase in the number of large businesses such as shopping malls, department stores, and supermarkets.Export networks are an integral part of the export infrastructure, facilitating the transfer of goods from their value form to cash and ensuring successful value transformation.

The study briefly described the economic functioning of the "Bazar store" retail outlet and analyzed the architecture and placement characteristics of the particular store. It was determined

that for optimal business and strategic processes, the in-store spaces were well aligned, and the retail operation was optimized based on the installation indicator.

All factors were considered in the placement of the store, resulting in a highly competitive environment. The shop boasts a wide variety of high-quality products at competitive prices, usually 5-40 qapik cheaper than those found in other markets. However, some minor shortcomings were observed. Sometimes certain brands have spots on shelves during specific hours. In accessing information, clients may encounter difficulties on certain items between departments due to the absence of consultants. Additionally, damage or damage during transit is sometimes noted.

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