CONCEPTUAL BASICS OF THE INSURANCE COMPANY'S COMPETITIVENESS IN THE MODERN MARKET ENVIRONMENT

Prystupa L.A.
PhD, Associate Professor,
Khmelnytskyi National University

Kharchuk O.B.
Student,
Khmelnytskyi National University

The article analyzes the theoretical basics of the economic category "competitiveness", which means the ability of the entity to outpace the opponent in achieving the set of economic goals, which in fact is a characteristic of effective functioning over a long period in a competitive market. The key system-forming elements of the insurance market competition are identified: the sphere of competition is the financial market, and the segment of the insurance market itself, where an independent rivalry of financial intermediaries that sell insurance products and services occurs; the subject of competition in the insurance market are the products and services by which the insurers are aimed at expanding the client base and forming a positive image; the object of competition is the consumer of insurance services – a client who has the opportunity to choose the best quality ambassador in the market; the subject of competition in the insurance market is an insurer-competitor, or another financial intermediary, marketing products and services that can be used by clients as substitutes offered by insurers. In general, insurance in the insurance business is a combination of relationships that consist not only exclusively between insurers, because each insurance company operates in a market with a heterogeneous mass of financial service providers competing with it (banking institutions, non-state pension and investment funds, leasing, factoring companies, etc.), as well as with other insurers. Directly the ability to withstand competition compared to similar entities in the market is determined by competitiveness. A generalization of existing scientific approaches to the definition of the economic category "competitiveness of an insurance company" was made and the "insurance company's competitiveness" was defined as the achievement of positive financial results due to the efficiency of all types of activities in a changing competitive environment. The attention is focused on the division of the insurance environment of the insurance company into internal factors which can be controlled by the insurer (financial condition, operating system of management, planning and control of activities, organizational structure, adequacy of personnel qualification level), and external (micro-environment and macro environment), on which factors the insurer can not make a direct impact. The key determinants of the competitive advantages of a domestic insurance company are identified, which is a concentrated manifestation of the advantages over competitors in the managerial, financial, assortment, innovation, personnel, organizational and marketing spheres of activity.