

Strategy of enterprise development: essence and classification

Hudz O.I.

Candidate of Economic Sciences, Associate Professor,
Lviv Polytechnic National University

Modern economic conditions are dynamic and uncertain. One of the main factors that can improve position of enterprise at the market is a properly grounded development strategy. Such a strategy should be based on intensive development. The study of periodicals allows us to synthesize information about the essence and classification of enterprise development strategies.

The essence of the enterprise development strategy is determined by the following main characteristics: the internal and external environment of the enterprise; increasing the competitiveness of products and enterprise; achievement of effective results; long-term period; innovative direction; flexibility; human factor; investments; risk.

During the study of information from periodicals, it has been founded that enterprise development strategies can be grouped into two groups – active strategies and passive strategies.

Key features of active strategies:

- high level of risk;
- active introduction of innovations, high susceptibility of innovations;
- ahead of competitors;

- permanent correction of marketing policy, ensuring a high level of service, use of attempts to introduce an individual approach to consumers;

- emphasis on product upgrades and packaging;

- usage of many price strategies aimed to different groups of consumers, use of a wide range of price discounts;

- expansion of market share, access to new market segments and new markets, including exterior.

Key features of passive strategies:

- low or average risk level;

- lately introduction of innovations, average susceptibility of innovations;

- pursuit of competitors;

- adjustment of sales policy on demand;

- attention is focused on amount of production;

- observance of several price strategies, which are adjusted on demand; use of price discounts, as at competitors;

- maintaining the existing market share.

Active strategies include an active offensive strategy and a market niche strategy. Passive strategies contain passive-offensive and defensive strategies.