

## Improving the Company Competitiveness through the Development of Key Competencies: Marketing - Management Technologies and Practices

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### Abstract

*The purpose of this study is to analyze the best marketing practices for the formation of competitive advantages based on key competencies. The use of such research methods as analysis, synthesis, deconstruction, traditional and content analysis of secondary information, allowed the authors to select from a large array of data on international and Russian-based practices for increasing competitiveness, mainly marketing and management technologies. These technologies allow the authors developing key competencies to create competitive advantages. The scientific novelty of the research is the systematization of current advanced international and Russian-based practices for managing competitiveness for the period 2015-2020. The basis is the authors' methodological approach to highlighting areas for creating competitive advantages by businesses developed on key competencies. The results of the study were expressed in the: first, the authors identified three main areas of creating competitive advantages based on key competencies: allowing to create value for consumers, differentiate from competitors, and have versatility; secondly, the content of competencies corresponding to the characteristics of key competencies has been determined; thirdly, advanced marketing and management technologies for creating competitive advantages with a focus on digitalization, collaboration and creativity have been systematized.*

**Key words:** Competitive Advantages, Key Competencies, International And Russian Practices, Digitalization.

### 1. Introduction

In a post-industrial market economy, the competitive advantage of an enterprise is determined not by its products, but by key competencies [32]. Key competencies can be defined as the creative integration of multiple technologies around knowledge needs, demand and values of consumers;

marketing intuition; knowledge and skills that allow them to be managed in such a way as to achieve synergy [16]. Accordingly, there is an obvious logic to increase the company competitiveness through forming and developing key competencies, the main features of which are the following: [16].

value for the consumer: the key competence should make the greatest contribution to the perceived consumer value, increase the importance of the company brand and product in the consumer's mind;

differentiation from competitors: the ability to create and have unique skills, abilities and technologies;

versatility: key competencies ensure the transition to future markets, allow to successfully compete in several markets [12, 16]

The purpose of the research is to analyze international and Russian-based practices for developing competitive advantages formed by key competencies that allow creating value for consumers, differentiating from competitors, and having versatility to increase the competitiveness of a business.

The scientific novelty of the research is expressed in the systematization of advanced international and Russian-based practices for increasing competitiveness for the period 2015-2020. The basis is the authors' methodological approach to highlighting areas for creating competitive advantages by businesses developed on key competencies.

The authors formulated the following research question: what marketing and management practices allow to develop key competencies to create value for consumers, differentiate from competitors and versatility in order to increase the competitiveness of businesses?

## **2. Brief literature review**

The processes of society's transition to a post-industrial: service, information, innovation, digital, knowledge economy are changing the nature of competition, both on the international and Russian markets [6,8,12,22,24,32]. Such dynamic processes determine the need for qualitatively different approaches to managing the competitiveness of the business, emphasized in works of foreign and domestic scientists [2,4,12,24,26,32]. In connection with these socio-cultural and economic processes, the content of the complex construct “Managing competitiveness of a company”

evolves significantly in the context of economic and management sciences and business practices [4,22,24,32].

Managing competitiveness of companies was previously understood as a deliberate impact of government agencies and economic actors of the markets on the processes of organizing profitable production and sale of commodity products at prices no higher and in quality no worse than that of other market counterparts in their market niche [6,7,8,22,24,32].

Such an impact on the organization of profitable production was determined by the availability and cost of resources; price level and dynamics for all resources used; environmental factors: the government economic policy and the degree of its impact on the market counterparty [4,7,8,32].

The structural and substantive content of the considered construct is fundamentally changing in the post-industrial economy (in particular: service, information, innovation, digital, knowledge economy) [8,12,22,24].

Managing competitiveness of companies in the post-industrial market economy was regarded as companies' dynamic ability to form competitive advantages in the markets in order to create and communicate values to potential and actual consumers on the basis of the key company competencies [18,19,22,25,30].

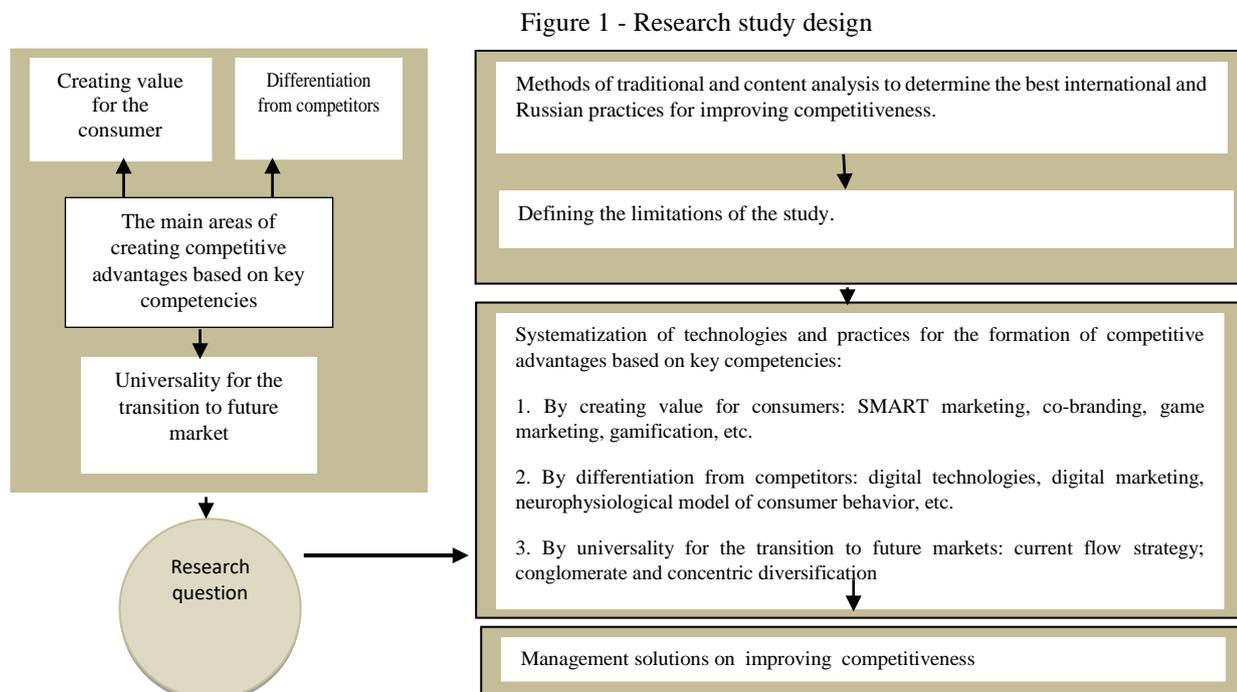
The management of company competitiveness in a post-industrial market economy, including enterprises in the field of commodity circulation, is predetermined by their competitive advantages. The core competencies that create value for the consumer is the root cause for such advantages [3,5,6,7,11,12,25,21,32]. Thus, the competitive advantage of an enterprise is determined not by its products, but by its key competencies [7,18,19,25,26].

There are different approaches to defining "core competencies" in literature: as a creative combination of a variety of technologies around the knowledge of the consumer's needs, requests and values [11,12,16]; as marketing intuition [16]; as knowledge and skills that allow you to manage them in such a way as to achieve synergy [11,12,16,32]. Some authors emphasize that, it is important to understand the criteria for assessing the value of the key area of competence in order to create key competencies [4,7], the relationship between the key competence and the management process [18,25,26], between key competencies and key products [5,7,18], the tasks of managing key competencies [3,6,26], the importance of key competence in creating a new competitive space [2,3,21,25,29].

We consider that the marketing literature does not sufficiently reflect the practical issues of achieving competitive advantages based on the creation of competencies. Along with this, foreign and Russian marketing and management technologies and practices of creating competencies are not fully presented in a generalized form.

### 3. Methodology

Based on the use of research methods such as analysis, synthesis, deconstruction, traditional and content analysis of secondary information, the authors selected international and Russian-based practices from a large data array that allowed developing key competencies to create competitive advantages. The design of the study conducted by the authors is shown in Fig. 1.



In order to systematize the best international and Russian-based practices for managing competitiveness for the period of 2015-2020, the authors proposed a methodological approach to highlighting areas for creating competitive advantages by enterprises based on key competencies (see table 1).

Table 1- Methodological approach to the analysis of international and Russian-based practices of forming competitive advantages based on key competencies

Signs of key competencies	Creating value for consumers	Differentiation from competitors	Versatility for transition to future markets
Content of competencies corresponding to the following criteria	Key competencies should make the greatest contribution to the perceived consumer value, increase the importance of the company's brand and product in the consumer's mind	Key competencies are related to the ability to create and have unique skills and technologies	Key competencies ensure the transition to perspective market, allow to successfully compete in several markets
Directions for creating competitive advantages based on key competencies	<ol style="list-style-type: none"> <li>1. SMART-marketing</li> <li>2. Co-branding</li> <li>3. A business model based on the economics of collaborative consumption</li> <li>4. Service aggregation business model</li> <li>5. Game marketing</li> <li>6. Gamification</li> <li>7. Prosumerism</li> </ol>	<ol style="list-style-type: none"> <li>1. Digital technologies in industries</li> <li>2. Digital Marketing</li> <li>3. Business model "business ecosystem" - digital platforms</li> <li>4. Environmental supply chain management</li> <li>5. Neurophysiological model of consumer behavior</li> <li>6. Cross-marketing technologies</li> <li>7. Collaborative networking model for eWOM regulation</li> <li>8. Ability maturity model</li> <li>9. Intellectual capital of the company</li> <li>10. New creative associations</li> <li>11. CSR and responsible innovation</li> </ol>	<ol style="list-style-type: none"> <li>1. The strategy of the current (continuous) flow.</li> <li>2. Conglomerate and concentric diversification strategies</li> </ol>

In the course of analyzing international and Russian-based practices for managing company competitiveness, the authors took into account the following limitations of the study:

In order to narrow down the analysis of these practices, the authors considered mainly marketing and partly management technologies that allow implementing competencies that meet the main above-mentioned characteristics (see table 1). This approach is due to the fact that the practice for increasing competitiveness in the literature of both scientific and practical orientation is presented from the standpoint of different branches of science: transport technologies, engineering construction, environmental research, management, sociological research, marketing, etc. However, it is marketing

management as a science and practice that makes it possible to achieve competitive advantages through innovative approaches to creating and delivering values to potential and current consumers based on key competencies.

The authors use the term “key competencies”, on the basis of which the company competitive advantages are created. They also assume that for each enterprise these will be certain activities in which the company has sufficiently developed skills and abilities in order to increase competitiveness in the market. Thus, taking into account the existing methodological problem of identifying competencies and distinguishing between key and non-key competencies, the authors suppose that key competencies are the unique achievements of a particular enterprise that make a significant contribution to increasing its competitiveness [12]. In this regard, the authors analyze not the key competencies themselves, but those areas of creating competitive advantages based on key competencies, in which enterprises can potentially create their own unique technologies.

The authors do not claim to be absolutely complete in the analysis of all the existing areas of creating competitive advantages due to their multiplicity. Therefore, they present only some directions, which is also due to the limitations on the volume of the scientific article.

#### **4. Research results**

The analysis of international and Russian-based practices aimed at creating competitive advantages formed by key competencies was carried out by the authors in accordance with the key competencies and presented in the form of systematized directions for creating competitive advantages (see table 1) Let us consider each of the directions of creating competitive advantages by foreign and Russian companies in more detail.

##### **4.1 Directions for creating competitive advantages based on key competencies that allow creating value for consumers (see table 1).**

It is assumed that the key competence creates the value of the company's final products, makes a significant contribution to the customer perceived value and increases the importance of the company's brand in the consumer's mind.

SMART-marketing (SMART - technologies in marketing) is a new target approach to planning marketing decisions based on SMART principles. It is also implemented as marketing

management of consumer values based on setting business, planning business processes, evaluating the effectiveness of marketing decisions. The effectiveness of marketing solutions is determined by their cyclical nature, the correspondence of the implemented solutions to the goals set, the planned indicators to the data of the analysis results and the forecast of the company's macro- and microenvironment development [3, 29].

Co-branding as a marketing alliance for the joint implementation of marketing programs and projects enhances brand equity, which contributes to the company differentiation in relation to competitors in the minds of consumers. This technology initially assumed the selection of a suitable partner within the alliance, taking into account the identity of the merging brands, which was implemented, for example, in the alliance of Nike and Apple, which created an innovative system for running fans Nike + iPod (congruent branding). Currently, co-branding manifests itself as an association of a large number of diverse partners, such as the collection of the flamboyant brand Vetements in collaboration with 18 global brands operating in completely different price and product segments (non-congruent branding) [31]. The practice of using incongruent branding creates such a dynamic competitive environment in which the consumer is looking for new experiences, unique impressions, and a special emotional bond with the brand.

Applying a business model based on the economy of collaborative (joint) consumption. Its essence is expressed in the organization of business, and takes into account consumers' propensity not to purchase and permanently own the goods, but to their mutual usage of goods. This model is especially relevant for working with the target segment - generation Z consumers, who are characterized by openness to everything new, mobility, poor differentiation of the virtual and real world, practicality and the ability to work with information. In the BRICS countries, this business model shows good results in car rental services, short-term rental of real estate, microloans, food delivery, online education, cloud storage, rental of things and services, and tourism [29, 14]. According to the research results, the main benefits and values received by consumers on the basis of shared consumption are comfort, innovation, the ability to follow modern trends, approval of participation by members of the reference group, and concern for the environment [28].

Applying a business model for the aggregation of information and logistics services in e-commerce. It characterizes the organizational and management specifics of the business. The aggregator as a business entity provides a software platform with a single user interface that allows consumers to obtain certain benefits through convenient and rational choice, as well as comparison of

offers from a large number of suppliers. Aggregator classification features are numerous and can vary from “source of income” to “type of building relationships with consumers” [20]. In particular aggregators are companies offering food delivery services (i.e. Delivery Club, Uber Eats), taxi services, distribution of multimedia content (i.e. Yandex.Music, Steam), selling a wide range of goods (i.e. large trading platforms AilExpress, Amazon) and others. All of them were selected on the basis of “focus on user / consumer retention” criterion.

Game marketing is a new approach to relationships with consumers, developing conditions for their creative self-realization, getting unexpected sensations due to the destruction of generally accepted patterns. In game marketing, consumer relationships are not built on a desire to meet consumer expectations, but rather on ignoring expectations, some intrigue, the formation of new stereotypes. KFC restaurant chain used this approach in its 2019 project, the main character of which was the digital twin of the company's founder [31].

Gamification is a human-centered design based on the use of game dynamics and game thinking in non-game content to increase consumers' involvement in the target segment in the decision-making process, as well as to increase brand awareness and loyalty [31]. Gamification is productive in the marketing of goods and services, as well as in the marketing of personnel focused on external and internal consumers of generation Y and Z [28, 21]. The successful implementation of the Badgeville and Yammer gamification project in companies such as Deloitte, Samsung, Dell, Accenture as part of HR management and HR marketing, the Tinkoff Bank's “Million Dollar Quest” project in marketing services and others confirms the effectiveness of using gambling practices to increase competitiveness of companies.

Applying the phenomenon of prosumerism - a cooperation strategy that makes it possible to create joint values based on the involvement of manufacturing companies in the development and improvement of consumer products – prosumers [26]. The scope of prosumerism is very wide: from the creation of Wikipedia - a universal Internet encyclopedia with free content, remixes and cover versions in the music industry to the improvement of BMW cars in real economy. Mutually beneficial cooperation between the company and prosumer consumers results in, on the one hand in competitive advantages of the improved product and its effective promotion by consumers; on the other hand, the prosumers receive high added values due to self-realization, the demand for their knowledge, skills and abilities, and the manifestation of individuality [30].

#### **4.2 Directions for creating competitive advantages based on key competencies that allow to differentiate from competitors and ensure the competitiveness of international and Russian companies (see table 1).**

Since key competencies are the unique achievements of a particular enterprise, which are a kind of merge of technologies, skills, knowledge and experience, we analyze not the key competencies themselves, but those areas of creating competitive advantages based on key competencies in which enterprises can potentially create their own unique technologies, unreproducible by competitors.

The use of digital technologies in various industries, in particular, in the field of commodity circulation, implies the development of mobile commerce technologies, “cloud technologies” for fast processing of big data, social, information technologies for business reengineering, information technologies for business valuation [13, 15]. In particular, the use of mobile commerce technologies is expressed in the use of mobile applications, push notifications through beacons to convey reference information to the consumer, augmented reality (AR) technology (Nike, IKEA), visual search for product search using photographs (Neiman Marcus luxury department store chain), and others.

Digital marketing is an activity to deliver value to consumers based on digital and communication methods through the most popular and convenient online and offline channels. Internet marketing (online marketing) includes website, landing page, SEO, content marketing, pay-per-click advertising (PPC), SMM (on such platforms as: Facebook, Instagram, VKontakte, Odnoklassniki, YouTube, Telegram, Twitter, TikTok), CPA networks, E-mail marketing, partnership marketing, inbound marketing, mobile marketing, video marketing. Digital tools allow to identify trends in consumer behavior and make reasoned decisions to attract the target audience into the sales funnel and manage conversion [6,13,15].

Applying the new business model “business ecosystem”, which is platform-based formations. Digital platforms as hybrid structures are focused on creating value through direct interaction and transactions between interested participants in the exchange of goods [21]. The platform acts as a center for a business ecosystem formation building a commodity circulation system in all types of markets: B2B, B2C, B2G, C2C. [13]. Digital platforms, mainly such platforms as Apple, Amazon, Alibaba, 1C, BEAC have a greater synergistic effect than traditional channels of commodity circulation, have a significant impact on the macroeconomics, changing the ways and trade mechanisms.

Green Supply Chain Management – (GSCM) determines certain environmental, financial, economic and competitive advantages in the company. The multinational corporation Samsung Electronics, with 2,500 suppliers from around the world, is effectively applying an environmental management system to its suppliers. The company implements a certification system for eco-partners to closely monitor the supply chain; annually conducts a comprehensive assessment of suppliers, checks their energy consumption. The Russian industrial innovation association of manufacturers and suppliers of eco-products and eco-services “Ecocluster” relies on its own eco-standards, which declare that the suppliers’ products in various respects must exceed the existing standards in the Russian Federation and comply with European environmental safety standards. The result of foreign research in this direction is to obtain a direct relationship between GSCM initiatives and company competitiveness indicators [1].

Applying a neurophysiological model of consumer behavior is the latest development in neuromarketing, which makes it possible for the company marketing management to mathematically model consumer behavior in the decision-making process, take into account consumers’ reactions to barriers and incentives when choosing goods and services. Neurophysiological models developed by Israeli-American psychologist Daniel Kahneman [10] and Russian marketer and analyst Dmitry Zverev [9]. The system of marketing metrics created within the model allows to measure the degree of individual and corporate brand attractiveness, make comparisons with similar competitor products, test the impact of all the IMC elements on the consumer, and map Consumer Experience and Customer Journey.

Cross-marketing technologies in the organization of business processes, involving the combination of two or more marketing techniques applied to the target audience for synergy by reducing resource costs. Cross-marketing is a mutually beneficial partnership of non-competing companies for the joint promotion of complementary goods and services, which leads to resource savings, growth of loyal customer base, increase in the number of company contacts with target consumers, brand awareness and brand image [16]. This approach is widely used by B2C companies, but is relatively new in the B2B market. We can name the following successful examples of Russian companies using cross-marketing: collaboration of Pyaterochka retail chain, Sberbank, and Visa payment network; FixPrice and taxi companies; retail chain “Soho” and the chain of cosmetics stores “Ile de Beauté”.

Applying a collaborative networking model eWOM (electronic word-of-mouth communication) effects. Foreign and Russian studies confirm that interaction with the brand and the intention of consumers to communicate through eWOM, forms not only a positive, but also a negative background on the Web, in fact, creates fake “twin” brands. These type of consumer communications in the Network turned out to be critical factors that affect the competitiveness of companies and the preservation of brand identity and values in the minds of consumers [27]. The use of this model for eWOM regulation allows to build brand trust on the part of opinion leaders and target audience, eliminate situations of “splitting’ brand personality (brands of tobacco products Camel, Starbucks), strengthen emotional bonds with the brand.

Applying Capability Maturity Model-CMM - the development model that underpins the roadmap for implementing HR practices, effective project management, and has five levels: initial, managed, defined, predictive, and optimizing. Most overseas IT companies use this model to improve their HR practices. Large software development orders are entrusted only to companies that have passed certification for compliance with the CMM model. Thus, the Indian company Tata Capital began using this model in 2011, in a year and a half it moved from level 2 to level 3 [2]. The main advantages for a wide variety of companies are the following: standardization of key processes, clarity of roles, objectivity in terms of performance assessment, effective communication, and increased employee engagement.

Forming and developing the company’s intellectual capital. Intellectual capital is an important factor in improving the company competitiveness, creating value in the knowledge economy and is a combination of four elements: market assets, human assets, intellectual property and infrastructure assets. Foreign studies have revealed a positive relationship between the rate of revenue growth and the return on intellectual capital, as well as investment in fixed assets, while the size of the company and industry do not have a statistically significant impact on the dependent variable [35]. The concept of intellectual capital is used by many of the world's leading companies, such as: BP, Skandia, Dow Chemical, PriceWaterhouseCoopers and others to develop corporate strategy and improve competitiveness.

New creative associations – creative workshops (coworking centers) created for the interaction of economic entities in high-tech industries in order to solve complex technological problems based on innovations. Such innovation centers are the arena where many competing business solutions are concentrated. Creative centers are actively created in Russia and abroad and are

marked for their dynamic approach to solving business problems in order to meet current innovation trends. In Russia, there is a variety of coworking platforms: office, industrial, and craft. Industrial coworking (for example, GARAZH) brings together inventors and prospective entrepreneurs; office coworking ("Under the roof") is engaged in consulting on business issues, craft ("Southern IT Park") creates conditions for cooperation of IT specialists with the support of the state [13].

Corporate social responsibility and responsible innovation are the factors for increasing competitiveness that has been repeatedly confirmed by the results of foreign and Russian studies. The company's initiatives in the field of corporate social responsibility and responsible (sustainable) innovation have a significant and positive impact on brand loyalty and brand image, which distinguishes the company from the competitor [17]. Foreign companies Nestle SA (Switzerland) Food, Beverage & Tobacco group, Unilever NV (Netherlands) Household & Personal Products group and METRO AG (Germany) Food & Staples Retailing group, Russian SBER, Rosneft, LUKOIL, Rostelecom, Gazprom, AK Bars, VTB-24 are leaders in applying CSR in all its areas: ecology, social work, CSR in relation to employees, work with suppliers.

#### **4.3 . Directions for creating competitive advantages based on key competencies that ensure universality (see table 1).**

It is assumed that key competencies provide companies with potential access to a wide range of prospective markets allowing them to successfully compete in several markets.

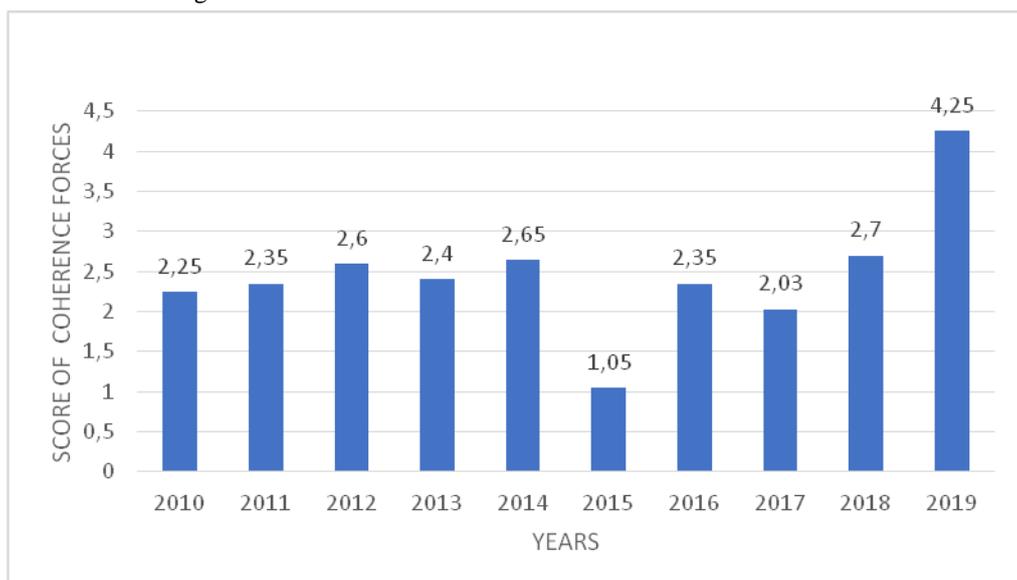
Flowing Stream Strategy involves managing continuity, taking into account the forces of succession and simultaneously managing changes in order to maintain and improve competitiveness in a turbulent market and economic environment. We examined the implementation of the Flowing Stream Strategy in the case study based on the international practice of managing the competitiveness of the Indian company Tata Motors. [34] (see tables.2 and 3), (see figures 2 and 3).

During the ten-year period analyzed, Tata Motors, as one of the largest and oldest companies, was caught in the field of continuity forces that could lead to its extinction. However, Tata Motors has built core competencies in innovative ways to integrate the forces of change with the vital forces of continuity.

Table 2- The Forces of Coherence of Continuity in the Flowing Stream Strategy of Tata Motors International

Constituent forces features	Demonstrative base
<p><b>1. Customer focus:</b> An internal and global customer base. Improving quality. Reducing rejection costs. Reducing unplanned deliveries. Improving the accuracy of forecasts.</p>	<p>In 2018-19, sales grew by 13.9%. Market share for the year is 6.3% and increased by 60 basis points compared to 2017-2018. Highest sales revenue in 2019.</p>
<p><b>2. Improving production and supply chain efficiency:</b> Strategic supplier base. Supplier training. Accurate and comprehensive supplier assessment system.</p>	<p>During the 2018-19 fiscal year, supplier base costs were reduced by 30% due to rationalization.</p>
<p><b>3. Developed infrastructure:</b> Increase in production capacity through expansion to the world market Optimizing manufacturing operations. Outsourcing some processes.</p>	<p>Acquisitions of Land Rover and Jaguar to expand infrastructure internationally. Growth in net sales and firm profits through acquisitions.</p>
<p><b>4. Research and development:</b> Innovative models: electric car, development of a biomethane engine for buses; registration design for cloud car.</p>	<p>The highest R &amp; D expenditures in 2019, an increase of 2.5 times compared to 2010. The electric Jaguar I-Pace is a three-time world champion. For 2017-2018, TM has 80 patents, 23 registered samples.</p>
<p><b>5. Brand value:</b> An image of trust and commitment. A global brand reputation through heritage, technological breakthrough, global presence and corporate social responsibility.</p>	<p>With the purchase of two British brands: Land Rover and Jaguar, the company entered the premium car segment, has established itself as a global brand. Increase in brand promotion costs: 2.8 times more in 2019 than in 2010.</p>
<p><b>6. Welfare of employees:</b> Strategies for attracting, retaining, developing and rewarding talented employees. Multicultural personnel.</p>	<p>Growth in expenses for improving the comfort, intellectual and social well-being of staff: in 2019 by 234% more than in 2010</p>

Figure 2 - The Forces of Coherence of Tata Motors International

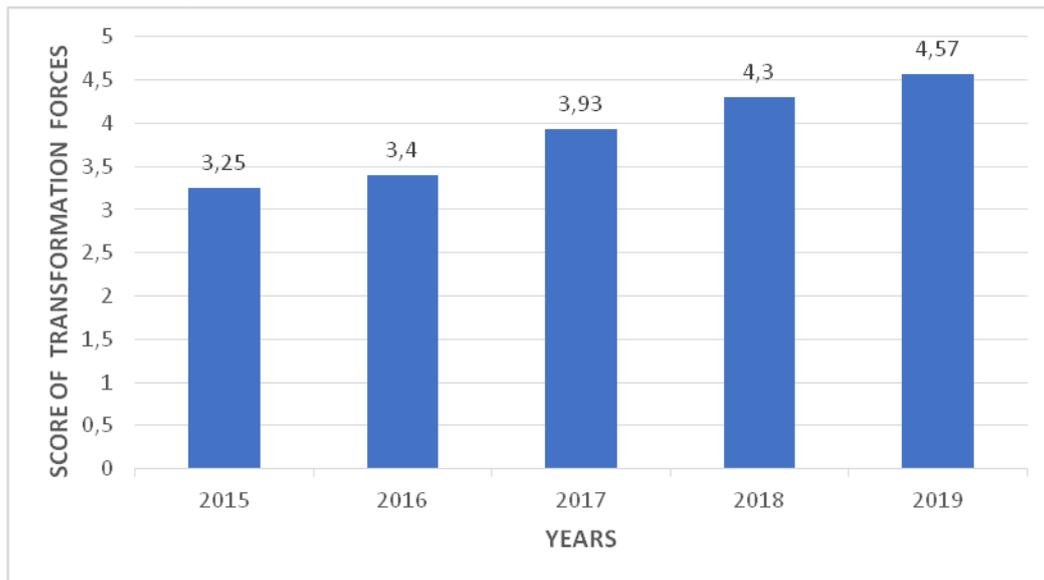


Tata Motors is trying to integrate the conflicting forces of continuity and change by innovating, expanding its presence in the international market, entering the global market segment through new technology products. The Flowing Stream Strategy allows Tata Motors to successfully manage its competitiveness in the domestic and foreign markets.

Table 3 - The Forces of Transformation in the Flowing Stream Strategy of Tata Motors International

Constituent forces features	Demonstrative base
<p><b>1. Globalization:</b> Commercial international integration. Reducing trade barriers. Reducing production costs.</p>	Exports increased and reached 4,629,054 units in 2019, which exceeds the indicators of 2015 by 130%.
<p><b>2. Growth of competition:</b> Potential competitors entering the world market with new models. Strengthening direct competition. Revival of old brands.</p>	To ensure international competitiveness, Tata Motors has introduced Tiago, Bolt, Tigor, Zest and Nexon Sumo Gold modifications to the market in the passenger car segment.
<p><b>3. Changing consumer preferences:</b> The priority consumer values – brand image, price of operation, additional options, comfort of movement, etc.</p>	Growth in domestic market demand for commercial vehicles by 163% over the previous 5 years; for passenger cars by 129%.
<p><b>4. The emergence of new technologies:</b> Development of information technologies, transport and communications, business digitalization</p>	The factors influencing the adoption by consumers of new technologies and, accordingly, the added value of cars are identified: environmental sustainability, brand values, brand trust.
<p><b>5. Electronic business:</b> Systems of electronic payments and money transfers. Electronic data interchange (EDI, Electronic Data Interchange); Internet (including email).</p>	Improving the accuracy of forecasts. Reducing the cost of expanding the client base. Transparency of commercial transactions Improving relationships with suppliers and dealers through online programs.
<p><b>6. Mergers and Acquisitions:</b> Growth in the scale of production. Economies of scale. Capitalization of companies.</p>	Acquisition of two UK brands, Spanish bus business Hispano Carrocera, Daewoo commercial vehicle division.
<p><b>7. Public policy:</b> Legislation to ban environmentally harmful technologies, focus on electrification strategies to improve the environmental performance of passenger cars. Made in India Initiative</p>	Environmental initiatives. Collaborate with other companies to create the environment required for the adoption of electric vehicles. The electric Jaguar I-Pace won the 2019 World Green Car award.

Figure 3 - The Forces of Transformation of Tata Motors International



1. Business diversification is entering new areas of business that are not related to the past commercial and technological activities of the company (conglomerate diversification), and those areas in which the company has commercial and technological experience (concentric diversification). Foreign research on the diversification studies both the impact of diversification on the company performance, its competitiveness; as well as the possibility of entering foreign markets with the help of these strategies [23]. In particular, studies conducted on a sample of 31 companies listed on the Nigerian Stock Exchange showed that diversified companies outperform diversified ones in terms of ROA and ROI. At the same time, related diversified companies (concentric diversification) showed positive ROA dynamics (26.8%), unrelated and hybrid diversified companies (conglomerate diversification) showed positive ROE dynamics (81.7% and 20.5%). The diversification strategy leads to growth and profitability (20%), makes it easier to enter foreign markets [10]. Such diversified conglomerates as Yandex, SBER, Alfa Group, SIEMENS, PHILIPS, ABB, 3M, General Electric Co, Honeywell, United Technologies, etc. successfully operate both in the domestic and foreign markets, including due to the effect diversification.

## 5. Conclusion

The secondary data analysis on international and Russian-based practices aimed at the formation of competitive advantages allowed the authors to systematize the vectors of creating

competitive advantages on the basis of competences and as well as made it possible for international and Russian companies make management decisions. The decisions are aimed at creating value for consumers, differentiating from competitors, and moving to future markets. These steps are taken in order to effectively manage the competitiveness of an enterprise. As we noted above, due to the large array of data concerning the practices of increasing competitiveness in global and domestic markets from the standpoint of various sciences and their industries, we focused mainly on management and marketing practices. Our analysis also showed that it is not possible to strictly separate the international and Russian-based practices for increasing competitiveness, as well as to carry out their comparative analysis on some significant grounds. As a rule, new technologies, business models, strategies are theoretically born and practically justified in foreign markets, then they are sequentially or in parallel implemented in Russian practice.

## **Acknowledgments**

This article is a part of a large State ordered scientific research “Methodology development for competitiveness management in the commodity turnover field in the digital economy”. Project No. FSSW-2020-0009.

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