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## FEATURES OF FORMATION OF CONSUMER DEMAND FOR DEMANDED PRODUCTS IN CONDITIONS OF AN UNSTABLE MARKET

**Abstract:** In the article, the authors formulated the need for the formation of demand for products in demand, when the assortment policy is the main factor of this demand. At the same time, consumer preferences in any case should be formed taking into account a certain set of requirements that they impose on the product. In this case, manufacturers guarantee themselves a stable financial condition, stable TPP, demand and its full implementation.

**Key words:** Consumer demand, demand for products, consumer preferences, financial condition, stable TEP, assortment, assortment policy.

**Language:** English

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### Introduction

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The essence of our position lies in a new perspective of perception in the management of the quality of consumer goods - consumer interest, more precisely, in the transformation of the consumer from a buyer into a "producer". As long as the consumer is

left to himself, self-formed in the market environment perverted by an unscrupulous manufacturer and advertising in an unregulated by responsibility market environment, he is a statistic for a responsible manufacturer.

All plans of the manufacturer are based on statistical models, more or less indicative on the scale of the national economy, but not on the average

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capabilities of enterprises. In order to replace virtual, speculative benchmarks in planning with real, significantly more viable ones, it is necessary to lead the consumer out of the zone of unlikely certainty into the space of cooperation, which gives a much more probabilistic forecast. From a spontaneous, opposing, separate "counter" subject, turn into an accomplice through the education and enlightenment of his consciousness.

The trouble of our present state is not in the Chinese commodity expansion - the Chinese have flooded the United States and half of the world with their specific goods, but in the fact that we have left the consumer at the mercy of intermediaries.

Formally, such an alienation in Russia during the Yeltsin era looked quite logical and attractive: "to each his own!" The shoemaker sews what he needs - boots, shoes, sneakers, etc.; the merchant is busy with his business - the sale of goods; advertising has its profit by helping the merchant. And everyone tried to "shoe" consumers.

In reality, however, the manufacturer found himself in isolation, submitting not to the market, but to market speculators and those who are in their service. The market is a relationship within the "producer-consumer" system. Anything built in between them breaks their natural relationship. Leading European manufacturers do not allow themselves to supply products to our market. They enter the market themselves, with their own network of specialized stores, which are under strict control and carry out independent advertising work with the consumer. By replacing the "consumer" with the "intermediary - the buyer", the enterprise creates an uncertain perspective.

The producer has a consumer, not a buyer, by his dialectical opposite. The consumer also needs to be connected to the problem of technical regulation - to teach him industrial literacy, educate, educate. We need to revive knowledge universities for the consumer in a new form.

### Main part

The first legal and organizational foundations for the formation of the Customs Union were determined in the second half of the 1990s, when the Republic of Belarus, the Republic of Kazakhstan and the Russian Federation adopted the Agreement on the Customs Union of January 6, 1995, the Agreement on the Customs Union of January 20, 1995 and the Treaty on the Customs Union and Common Economic Space dated February 26, 1999, which were generally of a framework, declarative nature. These international treaties have determined the goals, principles and mechanism of the Customs Union, the stages of its creation. However, the direct formation and development of the international legal framework and the institutional framework of the Customs Union began in 2007, when the EurAsEC Interstate Council

within the framework of three states - the Republic of Belarus,

The Customs Union of Belarus, Kazakhstan and Russia was formed in accordance with the goals and objectives of the Treaty on the Eurasian Economic Community. Three out of five states at the first stage (in accordance with the decision of the EurAsEC Interstate Council) from October 6, 2007, began to form the Customs Union and the Common Economic Space, taking into account that these states are the closest to each other in terms of their economic development. Later, Uzbekistan joined the legal framework of other EurAsEC member states - Kyrgyzstan, Tajikistan.

The Customs Union of Belarus, Kazakhstan and Russia provides for a single customs territory, within which customs duties and economic restrictions are not applied in the mutual trade of goods originating in a single customs territory, as well as originating from third countries and released for free circulation in this customs territory. , with the exception of special protective, anti-dumping and countervailing measures. On the territories of the CU member states, a unified customs tariff and other unified measures to regulate trade in goods with third countries are applied.

The Customs Union within the EurAsEC (CU) became the basis for the formation of the Common Economic Space (CES). The CES is a qualitatively deeper form of integration, which provides for the free movement of not only goods, but also services, capital, labor resources in the common customs territory of the CU. For this, along with the unification of foreign trade regulation norms, the parameters of macroeconomic policy, the tax system, the norms of antimonopoly and labor legislation, and migration policy should be harmonized.

The regulation of these integration processes required the creation of its own institutional system, i.e. bodies empowered to adopt international treaties and other normative legal acts (rules, regulations, recommendations), by their decisions.

In accordance with Article 1 of the Treaty on the Eurasian Economic Commission of November 18, 2011, the Parties established the EEC as a single permanent regulatory body of the Customs Union and the Common Economic Space.

The Commission consists of the Council of the Commission and the Board of the Commission. The procedure for the activities of the Council and the Board is regulated by the Rules of Procedure of the Commission, approved by the Supreme Eurasian Economic Council at the level of heads of state. As part of its activities, the Commission has the right to form structural divisions (hereinafter referred to as the Commission's Departments), representations of the Commission in the Parties, by decision of the Supreme Eurasian Economic Council at the level of heads of

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state in third countries and their associations, as well as at international organizations.

The EEC, within the limits of its powers, makes decisions that are binding on the Parties, and recommendations that are not binding. These decisions are included in the legal framework of the Customs Union and the Common Economic Space and are subject to direct application in the territories of the CU member states.

The Council consists of one representative from each Party, who is a deputy head of government, endowed with the necessary powers, in accordance with the legislation of the respective Party. Meetings of the Council are held as needed, but at least once a quarter. The time and place of the next meeting of the Council are determined at the previous meeting of the Council.

A significant step in the development of the institutional framework of the Customs Union was taken on December 12, 2008.

In order to further form the institutional framework of the Customs Union at the level of heads of government, the Agreement on the Secretariat of the Customs Union Commission was adopted. This is a working body of the Commission, the main function of which is the organizational and legal support of its activities. The Rules of Procedure of the Customs Union Commission were also approved, establishing the procedure for preparing and holding meetings of the Commission, the procedure for making decisions, publishing them and coming into force. The new edition of these Rules of Procedure was approved at a meeting of the Supreme Body of the Customs Union on November 27, 2009.

In the period from October 6, 2007 to November 18, 2011, the system of bodies of the Customs Union was presented as follows:

- Interstate Council of the Eurasian Economic Community

  - (The supreme body of the Customs Union).

  - Customs Union Commission.

  - Court of the Eurasian Economic Community.

Also, four structures were created that are not part of the CU system, but perform a number of important functions that ensure its functioning:

- Expert advice within the framework of the Customs Union.

  - Foreign Trade Regulation Committee.

  - Coordination Committee for Technical Regulation, Application of Sanitary, Veterinary and Phytosanitary Measures.

  - Information Technology Coordination Council.

The Board of the Commission is the executive body of the Commission, which develops proposals in the field of further integration within the framework of the Customs Union and the Common Economic Space. The Board of the Commission consists of 9

members, one of whom is the Chairman of the Board of the Commission. The composition of the Board of the Commission is formed on the principle of 3 members of the Board of the Commission from each member state of the CU, who are appointed by the decision of the Supreme Eurasian Economic Council and work on a permanent basis in the Board for 4 years.

The activities of the Supreme Eurasian Economic Council, the Council of the Commission and the Board of the Commission are supported by international employees of the departments of the Commission.

In the field of customs-tariff and non-tariff regulation, the EurAsEC Interstate Council approved the unified Commodity Nomenclature of Foreign Economic Activity of the Customs Union (TN VED CU) and the Unified Customs Tariff of the Customs Union (ETT CU). The heads of state also decided to transfer to the CCC a number of important functions in the field of customs-tariff and non-tariff regulation, provided for by the relevant international treaties of the Customs Union, in particular, the maintenance of the CCC of the CU.

In the field of consumer protection, the Supreme Body of the Customs Union made a decision to endow the EurAsEC Court with the functions of resolving disputes within the CU.

At the same time, the Expert Council became a mechanism for direct appeal against the Commission's actions, which was empowered to consider applications of legal entities and individuals of the Customs Union member states engaged in economic activities on the compliance of decisions of the CCC with its legal framework.

The Customs Union, the main foreign policy project of Russian President Vladimir Putin, has been developing rapidly in recent years, moving towards its ultimate goal - transformation into the Eurasian Economic Union in early 2015. But the union's status as a potential rival to the European Union creates pressure on countries like Armenia, Moldova and Ukraine to make a choice.

The first legal and organizational foundations for the formation of the Customs Union were determined in the second half of the 1990s, when the Republic of Belarus, the Republic of Kazakhstan and the Russian Federation adopted the Agreement on the Customs Union of January 6, 1995, the Agreement on the Customs Union and Common Economic Space dated February 26, 1999, which were generally of a framework, declarative nature. These international treaties have determined the goals, principles and mechanism of the Customs Union, the stages of its creation. However, the direct formation and development of the international legal framework and the institutional framework of the Customs Union began in 2007, when the EurAsEC Interstate Council

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within the framework of three states - the Republic of Belarus, Of the Republic of Kazakhstan and the Russian Federation - was endowed with the status of the Supreme Body of the Customs Union and the Commission of the Customs Union was created - a single permanent regulatory body of the Customs Union, whose main task was to ensure the conditions for its functioning and development. Natalia Borisovna Slyusar talks about the further formation of the Customs Union (CU) and the Common Economic Space (CES).

Firstly, these are the legal aspects that are associated with the formation of the legal framework of the CU, consisting of international treaties and decisions of the CU bodies, and secondly, these are aspects of the formation of the institutions of the CU and the CES. We will consider them, but first I would like to give a few general assessments of all the work that has been done within the framework of the EurAsEC on the formation of the CU and the CES.

It is necessary to take into account the historical experience of the world community and the experience of the CIS states in taking measures to form customs unions.

Throughout the world, the XX century gave the development of a new form of interstate economic integration in the form of customs unions, and, at present, there are more than 30 of them. So, in 1961. Guatemala, Honduras, Nicaragua and El Salvador joined the Central American Common Market. Costa Rica joined it two years later. In 1963. a customs union was also established between the European Union and Turkey (the EU-Turkey Association). And in 1964. an agreement was signed on the creation of a customs union between Egypt, Iraq, Jordan, Yemen, Libya, Mauritania and Syria, called the Arab Common Market. The Organization of Eastern Caribbean States, of which Antigua and Barbuda, Grenada, Dominica, Montserrat, Saint Kitts and Nevis, Saint Vincent and the Grenadines are members, was established in 1991. We are also aware of such customs unions, like the EU and Merkursur and others. By the way, the USSR is also a customs union, since there are basic signs - a single customs territory, a single customs tariff, rules for trade with third countries, etc.

The increasing increase in the number of customs unions, the expansion and strengthening of their position in the international arena indicate that this form of interstate integration brings enormous economic, political, social and other benefits for their members. The Union makes national economies much stronger, allows its members to act as a single integrated economic and political bloc in international relations, increases the political and economic weight of states on a global scale, and also opens up great prospects for individuals in these countries, especially for economic entities.

The Customs Union within the EurAsEC (CU)

became the basis for the formation of the Common Economic Space (CES). The CES is a qualitatively deeper form of integration, which provides for the free movement of not only goods, but also services, capital, labor resources in the common customs territory of the CU. For this, along with the unification of foreign trade regulation norms, the parameters of macroeconomic policy, the tax system, the norms of antimonopoly and labor legislation, and migration policy should be harmonized.

The regulation of these integration processes required the creation of its own institutional system, i.e. bodies empowered to adopt international treaties and other normative legal acts (rules, regulations, recommendations), by their decisions.

So, on October 6, 2007, the EurAsEC Interstate Council (the Supreme Body of the Customs Union) at the level of heads of state adopted the first three international treaties aimed at forming the legal framework of the Customs Union:

- Agreement on the Commission of the Customs Union (CU).
- Agreement on the establishment of a single customs territory and the formation of the Customs Union.
- Protocol on the procedure for the entry into force of international treaties aimed at the formation of the legal framework of the Customs Union, withdrawal from them and accession to them.

Since July 1, 2011, the Customs Union has been fully operational. On January 1, 2012, a package of 17 international treaties of the Common Economic Space, signed by the heads of state on December 9, 2010, was put into effect. In accordance with the agreements, the CCC has been assigned functions not only in the field of foreign trade, but also in economic policy in general. This dictated the need to improve the institutional framework of the Customs Union and the Common Economic Space. A total of 145 "supranational" functions, on the basis of 111 international treaties that form the legal framework of the CU and the CES, have been transferred for direct regulation to the powers of the CCC. These are functions in the area:

- customs tariff and non-tariff regulation;
- application of protective anti-dumping and countervailing measures;
- ensuring technical regulation and sanitary, veterinary and phytosanitary control in the Customs Union;
- maintaining customs statistics of foreign trade and statistics of mutual trade;
- ensuring customs regulation in the CU;
- ensuring the functioning of the CES.

In this regard, the heads of state of the Customs Union on November 18, 2011 in Moscow signed:

- Treaty on the Eurasian Economic Commission
- Declaration on Eurasian Economic Integration

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–Decision on the Rules of the Eurasian Economic Commission (EEC) and the formation of a new, stronger EEC apparatus.

From the date of entry into force of the Agreement on the EEC, the CCC is abolished. And the powers vested in the Commission of the Customs Union in accordance with international treaties that form the legal framework of the CU and the CES, as well as decisions of the Interstate Council of the Eurasian Economic Community (Supreme Body of the Customs Union) are transferred to the EEC. Thus, the status of the Commission does not change, but only its structure and operating procedures. In addition, it should be borne in mind that in accordance with this agreement, from the date of its signing, the Supreme Eurasian Economic Council exercises the powers vested in the Interstate Council of the Eurasian Economic Community also in accordance with the specified treaties by the international treaties of the CU and the CES.

Now we return to the newly created Eurasian Economic Commission (hereinafter - EEC). In accordance with Article 1 of the Agreement on the Eurasian Economic Commission of November 18, 2011 (hereinafter referred to as the Agreement), the Parties established the EEC as a single permanent regulatory body of the Customs Union and the Common Economic Space.

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*As part of its activities, the Commission has the right to form structural divisions (hereinafter referred to as the Commission's Departments), representations of the Commission in the Parties, by decision of the Supreme Eurasian Economic Council at the level of heads of state in third countries and their associations, as well as at international organizations.*

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The Board of the Commission is the executive body of the Commission, which develops proposals in the field of further integration within the framework

of the Customs Union and the Common Economic Space. The Board of the Commission consists of 9 members, one of whom is the Chairman of the Board of the Commission. The composition of the Board of the Commission is formed on the principle of 3 members of the Board of the Commission from each member state of the CU, who are appointed by the decision of the Supreme Eurasian Economic Council and work on a permanent basis in the Board for 4 years.

The activities of the Supreme Eurasian Economic Council, the Council of the Commission and the Board of the Commission are supported by international employees of the departments of the Commission.

The competence of the EurAsEC Court, the legal status of which is determined by the Treaty on the Establishment of the Eurasian Economic Community of October 10, 2000 and the Statute of the EurAsEC Court, approved by the Decision of the EurAsEC Interstate Council of July 5, 2010 No. 502, was expanded in connection with the formation of the Customs Union and the introduction of of this change in Art. 8 of the Treaty on the Establishment of the EurAsEC (Protocol of October 6, 2007 amending the Treaty on the Establishment of the Eurasian Economic Community of October 10, 2000).

The main task of the Court is to ensure the uniform application by the member states of the Customs Union of international treaties acting within its framework and decisions taken by its bodies. The court also considers disputes of an economic nature arising between the member states of the Customs Union on the implementation of decisions of bodies and provisions of CU treaties, gives explanations and conclusions on them.

After the unification of the customs territories of the states forming the Customs Union, the Court exercises the following powers:

- considers cases on the compliance of acts of the CU bodies with international treaties that form the legal basis of the Customs Union;
- Considers cases of challenging decisions, actions (inaction) of the CU bodies;
- gives an interpretation of international treaties that form the legal basis of the Customs Union, acts adopted by its bodies;
- resolves disputes between the Commission of the Customs Union and the states that are members of the CU, as well as between the member states of the Customs Union on the fulfillment of their obligations under the CU.

The jurisdiction of the Court may also include other disputes, the resolution of which is provided for by international treaties of the Customs Union. Such an international treaty is the Treaty on the appeal of economic entities to the Court of the Eurasian Economic Community for disputes within the framework of the Customs Union and the specifics of

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legal proceedings on them dated December 9, 2010, according to which the Court is vested with the competence to consider cases on applications of economic entities:

- on challenging acts of the Customs Union Commission or their individual provisions;
- on challenging the actions (inaction) of the Customs Union Commission.

The basis for challenging the acts of the CCC or their individual provisions or actions (inaction) of the Customs Union Commission is their inconsistency with international treaties concluded within the CU, which entailed a violation of the rights and legitimate interests of economic entities in the field of entrepreneurial and other economic activities provided by these international treaties. On January 1, 2012, the EurAsEC Court began its independent activity. Funds have been allocated for the formation of the Secretariat of the Court. The Interparliamentary Assembly of the EurAsEC appointed judges of the EurAsEC Court in December 2011. In accordance with the Protocol on Amendments to the Statute of the Court of the Eurasian Economic Community of July 5, 2010, a provision is introduced,

Considering that the EurAsEC Court was formed and began its independent activity, the question arose about the continuation of the existence of a quasi-judicial body in the system of CU bodies, which is the Expert Council within the framework of the Customs Union.

This Expert Council was authorized to consider the statements of economic entities of the Member States of the Customs Union on the compliance of the decisions of the CCC, which are binding, with the legal framework of the Customs Union. However, since its formation, the CCC Secretariat has not received any applications from economic entities that would have been formalized in accordance with the Regulation on the Expert Council.

The formation of the legal framework of the Customs Union and the Common Economic Space was carried out in stages, but in a very short time.

It should be borne in mind that the decision on the formation of the legal framework of the CU and the CES was made by the heads of state during the crisis of the global financial system, which could not but affect the state of the economies of the states of the Eurasian Economic Community (EurAsEC).

In order to avoid a further economic recession of the EurAsEC member states, the heads of state of Belarus, Russia and Kazakhstan made a decision to create conditions for the restoration of a capacious domestic market, within which to create conditions for the preservation and modernization of production of the three states, as well as to increase the competitiveness of the economy on a new technological basis. ...

In this regard, on January 25, 2008, the Supreme Body of the Customs Union at the level of heads of

government adopted 9 international agreements in the field of customs, customs tariff and non-tariff regulation. The heads of government also determined the principles for the collection of indirect taxes on the export and import of goods, the performance of work and the provision of services in the Customs Union.

In the period 2009 - 2010. Within the framework of the Customs Union, an Agreement on the procedure for the introduction and application of measures affecting foreign trade in goods in a single customs territory in relation to third countries and an Agreement on the rules for licensing in the field of foreign trade in goods have been adopted.

In addition, in accordance with the Agreement on the Establishment of a Single Customs Territory and the Formation of the Customs Union dated October 6, 2007, the stages and terms of the formation of a single customs territory of the Customs Union of the Republic of Belarus, the Republic of Kazakhstan and the Russian Federation were developed and approved, which provide for three main stages of the formation of a single customs union. territory of the vehicle. In particular, the following stages have been identified:

- preliminary - before January 1, 2010
- the first - from January 1, 2010 to July 1, 2010.
- the second - from July 1, 2010 to July 1, 2011.

At the same time, the heads of state determined the final date for the creation of a single customs territory of the Customs Union - July 1, 2010. At the preliminary stage, two main tasks were solved: completing the formation of the legal framework of the Customs Union and organizing the phased transfer of agreed types of state control, with the exception of border control, to the external outline of a single customs territory. On November 27, 2009, the heads of the member states of the Customs Union signed the Agreement on the Customs Code of the Customs Union. Thus, the codification of the customs legislation of the CU was carried out, indicating a qualitatively new level of interstate economic integration.

In the field of customs-tariff and non-tariff regulation, the EurAsEC Interstate Council approved the unified Commodity Nomenclature of Foreign Economic Activity of the Customs Union (TN VED CU) and the Unified Customs Tariff of the Customs Union (ETT CU). The heads of state also decided to transfer to the CCC a number of important functions in the field of customs-tariff and non-tariff regulation, provided for by the relevant international treaties of the Customs Union, in particular, the maintenance of the CCC of the CU.

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actions, which was empowered to consider applications of legal entities and individuals of the Customs Union member states engaged in economic activities on the compliance of decisions of the CCC with its legal framework.

As part of the preliminary stage, international agreements on technical regulation, sanitary, veterinary and phytosanitary measures were also adopted. In order to create the Common Economic Space, on December 19, 2009, the Supreme Body of the Customs Union approved the Action Plan for the formation of the Common Economic Space of the Republic of Belarus, the Republic of Kazakhstan and the Russian Federation for 2010-2011. The plan provided for the development of two packages of agreements on economic policy issues, freedom of capital movement, monetary policy, transport, energy, communications, freedom of movement of labor and technical regulation. These international treaties were adopted and entered into force on January 1, 2012.

In the development of the provisions of the adopted international treaties of the Customs Union of the CCC, a number of important normative legal acts in various areas of regulation were approved, among them, in particular, among them:

*1) in the field of customs regulation:*

- customs declaration forms and instructions for filling them out;
- the procedure for conducting a customs examination during customs control;
- forms of general registers of persons carrying out activities in the field of customs;
- instructions on the procedure for using transport (shipping), commercial and (or) other documents as a declaration for goods; and etc.;

*2) in the field of customs and tariff regulation:*

- regulations on the procedure for technical maintenance of the unified TNVED CU and the Regulation on interaction on issues of maintaining the unified TNVED CU;
- regulations on the procedure for making decisions and clarifications by the CCC on the classification of certain types of goods, etc.;

*3) on the application of sanitary measures, the implementation of veterinary control and the application of veterinary and sanitary measures, as well as technical regulation* adopted a number of lists of goods to which these measures apply, and provisions on the procedure for their implementation.

The second stage of the creation of a single customs territory of the Customs Union was also associated with the entry into force of the Treaty on the Customs Code of the CU. The Customs Code entered into force, and a single customs territory of the Customs Union was formed for the Republic of Kazakhstan and the Russian Federation on July 1, 2010, and for the three member states of the Customs Union - on July 6, 2010.

As well as the formation and maintenance of the Unified Register of Certification Bodies and Test Laboratories (Centers) of the Customs Union. As part of the development and application of information technologies in the Customs Union, two fundamental agreements have been adopted: the Agreement on the Creation, Operation and Development of the Integrated Information System of Foreign and Mutual Trade of the Customs Union and the Agreement on the Application of Information Technologies in the Exchange of Electronic Documents in Foreign and Mutual Trade in the Common Customs Territory CU, and also approved the Concept for the creation of an Integrated Information System for Foreign and Mutual Trade of the Customs Union.

In addition, on July 1, 2010, the Agreement of the Customs Union on Sanitary Measures, as well as the Agreement of the Customs Union on Veterinary and Sanitary Measures and the Agreement of the Customs Union on Plant Quarantine of December 11, 2009, entered into force, in connection with which the Customs Union Commission the corresponding powers were transferred.

In order to develop interstate cooperation in criminal cases and cases of administrative offenses, on July 5, 2010, the heads of state signed an Agreement on the Specifics of Criminal and Administrative Liability for Violations of the Customs Legislation of the CU and the Member States of the Customs Union and an Agreement on Legal Assistance and Interaction of Customs Authorities of States - members of the Customs Union for criminal cases and cases of administrative offenses. In accordance with these international treaties, the specifics of bringing persons who have committed offenses on the territory of the Customs Union to criminal and administrative responsibility have been determined. Also, bodies authorized to carry out proceedings in criminal cases and cases of administrative offenses have been established, the principle of mutual recognition and execution in the member states of the Customs Union of the relevant procedural documents was proclaimed, the procedure for interaction of national authorized bodies for solving crimes, bringing perpetrators to criminal, administrative responsibility for violations of the customs legislation of the Customs Union and the legislation of the member states of the Customs Union, control over the observance of which is entrusted to the customs authorities. To date, the Action Plan for the formation of the Customs Union has been largely completed. The successful work of specialists in the formation of the legal framework of the CU and the CES was noted by the heads of state. the procedure for interaction of national authorized bodies for solving crimes, bringing the perpetrators to criminal and administrative responsibility for violations of the customs legislation of the Customs Union and the legislation of the member states of the Customs Union, control over the observance of which

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The next stage of the joint work of the experts of the parties is to codify the adopted international treaties and decisions of the CU bodies in order to eliminate conflicts and gaps, as well as to prepare a single international treaty, on the basis of which the Eurasian Economic Union was established in 2015. The codification work includes, inter alia, agreements on:

- balanced macroeconomic, fiscal and competition policies;

- structural reforms of labor, capital, goods and services markets;

- creation of Eurasian networks in the field of energy, transport and telecommunications

In accordance with the tasks of the first stage of the formation of a single customs territory of the CU member states, from January 1, 2010, the Customs Union Commission is working to exercise its powers in the field of tariff and non-tariff regulation of foreign trade of the Customs Union. Thus, on January 1, 2010, a number of international treaties and normative legal acts in the field of customs and tariff regulation came into force, including the TN VED CU and ETT CU. Since that date, three agreements of the Customs Union on non-tariff regulation have also come into force. 57 of the Customs Code of the CU, a Unified Database of Preliminary Decisions of the Customs Union on the Classification of Goods and Technical Conditions for the Transfer of Data on Preliminary Decisions on the Classification of Goods have been developed.

The Commission of the Customs Union, within the framework of the delegated powers, approved the

List of goods for which quotas and volumes of tariff quotas are established for the import of goods into the territory of the member states of the Customs Union, as well as the List of goods that are essential for the internal market of the CU, in respect of which, in exceptional cases temporary export restrictions or bans may be imposed.

In connection with the entry into force of the Treaty on the Customs Code of the CU, the norms of which are largely of a reference nature, it became necessary to enact, simultaneously with the Code, legal mechanisms developed to implement its provisions.

Thus, on May 20, 2010, an Agreement was signed on the establishment and application in the Customs Union of the procedure for enrollment and distribution of import customs duties (other duties, taxes and fees that have an equivalent effect). The agreement establishes a single unified mechanism for the enrollment and distribution of honey by the Member States of the Customs Union of import customs duties, other duties, taxes and fees that have an equivalent effect.

The meeting participants reviewed the current state and development prospects of the light industry in Russia. The meeting of the Coordinating Council took place on December 10, 2012 at the site of the "Donetsk Manufactory" - one of the leading enterprises of the light industry in Russia

Welcoming the participants in the meeting of the Coordination Council, Denis Manturov, in particular, said: "Dear friends, dear colleagues. Today we are holding this year's final meeting of the Coordination Council. We took a good pace, laid down the correct practice to gather in such a composition on various topics. This morning, in addition to the issues that we planned to discuss with you in terms of the development of our light industry, Vasily Yuryevich (Governor of the Rostov Region) and I had the opportunity to start the construction of a new polypropylene film production plant in the city of Shakhty. In 2014, it is planned to release the first propylene film, it will be supplied to the food industry, as well as to technical industries. As part of the construction of this enterprise and its subsequent launch, an agreement was signed with the Sibur company on the supply of pellets for production.

If you don't mind, we will move on to the main agenda for today's meeting. This is the theme of the development of light industry in Russia. But before we continue the discussion, I would like to say a few words about the state and what prospects this industry has in Russia. I will give a few numbers for a general understanding. The total volume of the market for products of the light and textile industry ranks second after the food market. This is more than two and a half trillion rubles on an annualized basis. This is a huge volume, and if you compare it with other industries, it is four times the market for consumer electronics and



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pharmaceuticals, and twice the market for the automotive industry, not to mention other industries. This industry is characterized by a high rate of capital turnover, which also favorably affects its investment attractiveness. In addition, light industry is an integral part of the development of the regional economy, making a significant contribution to the creation of jobs, primarily in the field of small and medium-sized businesses. The enterprises of the industry are located in 72 regions of our country. There are several thousand enterprises and associations in this industry. Moreover, about 70 percent of these enterprises are city-forming. In total, about 400 thousand people work at these enterprises, respectively, 75 percent of them are women. Thus, the development of light industry is the most important task, both from an economic and a social point of view. Starting from January 1, 2013, the average salary for the company has been increased by 8 percent. That is why the Ministry of Trade and Industry of Russia has developed a subprogram for the development of light and textile industries as an integral part of the State Program "Development of Industry and Increasing its Competitiveness", which I reported at a Government meeting on Friday and was approved. It is a large-scale document with 17 subprograms. And an important role is assigned to the subprogram for the development of light and textile industries.

Together, by common efforts, this program was made, in particular, for the light and textile industries, a whole set of measures was formed to support the development of the industry. This primarily concerns subsidies. The amount of subsidies for repayment of interest rates on loans for the purchase of raw materials in this industry has almost doubled. Next year we will increase this volume to 640 million rubles. Also, the amount of subsidies for repayment of interest rates on loans for technical re-equipment was increased, the volume was increased to 225 million rubles and for the first time 275 million rubles were allocated for activities to promote products on the market. Such work will be carried out, inter alia, within the framework of thematic collective stands at exhibitions, fairs, which are supported by our department. The government continues to support research and development, aimed at improving the raw material base and the production of innovative finished products through the development and implementation of new technologies, and the competent systematic use of these measures by business circles with the support of regional authorities will allow Russian manufacturers to quite successfully compete with imported counterparts in the context of Russia's accession to the WTO. Moreover, we have quite serious competition from our now WTO partners, these are China, Turkey and a number of other countries that have successfully proven themselves in this market. Therefore, it is very important. If we skillfully, like our other colleagues

from other countries, use the tools on time and effectively, including those aimed at reducing discriminatory measures by our colleagues in relation to our products, we will be able to skillfully and effectively, taking into account the entry into the WTO.

First of all, it is dependence on imported raw materials. Today, 100% of raw materials are purchased in Uzbekistan. We have nothing against our colleagues in the CIS, but we believe that we have every opportunity to develop our own resource base. Let us give an example, in 2013 we got the first test crop of cotton, and high-quality cotton, which is only in the United States, in small quantities in the Astrakhan region, we are thinking about what opportunities there are to get away from imported raw materials. Moreover, this is not only for plant raw materials, it also applies to the chemical industry - synthetic thread.

The second challenge, unfortunately, is the low technological level of the industry. First of all, this is due to a low level of investment in this industry, a lack of own financial resources and a complicated mechanism for obtaining loans for the implementation of large investment projects.

Of course, the development of the industry, including its technological modernization, is the task of private business. The state has no right to subsidize an ineffective investor. But for those who have taken this path of modernization, we will develop the existing tools, offer new mechanisms for attracting investors. In particular, we are currently working on the issue of increasing the size of subsidies on loans for technical re-equipment to 90% of the refinancing rate and expanding the areas of subsidies for the construction of new enterprises. Moreover, we have been thinking for a long time with our colleagues from the Ministry of Finance on the topic, including preparing for these decisions, how more universal toolkits could be made so that enterprises in different industries can receive our support, in order to

The third major problem is counterfeiting. We are seriously paying great attention to this issue, and there is much to be done in this area. This year, under the auspices of the Prime Minister, we held the Anti-Counterfeiting Forum in October. This forum will be held annually, next year it will be held in Kazakhstan within the framework of the customs union. Today, the share of products of Russian enterprises in the domestic market does not exceed 25%. At the same time, the share of legal imports is about 40%. Accordingly, more than 35% of illegally imported and illegally produced products on the territory of the Russian Federation. This is a lot. The expulsion of illegal products from the market is the main reserve for the development of the industry. When there is such a situation on the market, we simply cannot adequately talk about the competitiveness of a Russian

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manufacturer, since the conditions of competition are too distorted by illegal products.

Well, a separate topic is the work of the industry within the framework of the Common Economic Space. The formation of the Eurasian Economic Commission gives us the opportunity to take advantage of the natural advantages of each of the countries participating in this integration process. My colleagues from the EEC discussed the possibility of developing a joint program for the development of light industry in Russia, Belarus and Kazakhstan.

When we hear about the protection of Russian manufacturers of whatever: machine tools and cars, clothing and footwear, food and furniture, etc., we always think about the shadow side of the coin from such innovations: about the quality of goods. The company loses the incentive to improve it and update the assortment, because in the absence of imports, people will take anything. But representatives of the light industry have something else in mind: the decriminalization of the supply of clothing and footwear to the domestic market.

In total, according to expert estimates, the population of Russia buys about 600 million pairs of shoes. The domestic industry in 2019 produced more than 52 million pairs (in 2020 - 51 million pairs), 100 million pairs are supplied by official import. Where do the other four hundred-odd million come from? They are imported in all kinds of illegal ways.

The condition of the fixed assets of the footwear industry does not allow the production of high-quality, in-demand products. The enterprises use mainly physically and morally obsolete equipment that is not capable of ensuring the use of modern technologies. Depreciation of machinery and equipment - 76.8%, the share of completely worn out machinery and equipment - 61.2%.

The average level of capacity utilization in the footwear industry remains the lowest in the light industry - less than 30%. More than half of enterprises and organizations in the industry are unprofitable. The investment climate in the industry continues to be unfavorable.

A significant decrease in the production of children's shoes at most Russian shoe enterprises, including in the regions of the Southern Federal District and the North Caucasus Federal District, is associated with the abolition of subsidies from the federal budget, with imperfect taxation in the production of children's assortment, and an insufficient variety of styles toobats for its production, especially for high school students.

On the consumer market of the regions of the Southern Federal District and the North Caucasus Federal District, goods for children of domestic manufacturers were ousted by foreign manufacturers who supply cheap footwear from low-quality materials and with gross violations of compliance with the requirements of GOST. In addition, these shoes,

for the most part, do not have certificates of conformity and hygiene certificates, which provokes discomfort when wearing them and various diseases of the feet.

But these shoes continue to be bought, since consumer demand acts as the main factor influencing the formation of the assortment, which is provoked by the deficit and the dissatisfaction of the population in the children's shoes offered for purchase by type. When choosing shoes, the consumer relies on a certain set of requirements that he makes for the product.

When choosing shoes, buyers are guided by the quality, convenience and relatively low price of products. Buyers' priorities also depend on their age group.

To revive the production of children's shoes in the regions of the Southern Federal District and the North Caucasus Federal District, first of all, it is necessary to create a number of shoe industry enterprises in those constituent entities of the district where socio-demographic factors and low employment of the population are pronounced: these are the republics of Chechnya, Dagestan, Ingushetia, Kalmykia.

But newly created enterprises need state support, because they do not have enough own funds, and borrowed funds are not available due to high rates. It is necessary to solve the general tasks at the enterprises of technological renewal of the industry, replenish working capital, increase the efficiency of scientific and technical support of production for the manufacture of high-quality and affordable children's shoes.

What prevents the shoe enterprises of the Southern Federal District and the North Caucasus Federal District from successfully functioning and producing that and so many shoes to succeed in filling their niche with competitive children's shoes?

The first of the problems- deterioration of equipment. Under the given operating conditions, when many shoe enterprises receive incomes only enough to cover business-related expenses, there can be no talk of re-equipment of the enterprises' capacities. To solve this problem - and as a subtitle it is the lack of investment for upgrading equipment - there are a number of possibilities, such as obtaining a bank loan, for readjustment and gradual phased replacement of existing equipment, and other methods.

However, the question arises, where is it most profitable, with minimal costs, it is possible to purchase equipment? The following figures can serve as an answer: 89.7% of all capacities involved in the footwear industry are produced abroad. Equipment for the production of footwear is practically not produced in Russia. Therefore, the following algorithm for solving this problem is proposed:

- to carry out an inventory and an assessment of the technical level of production facilities, which are

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still preserved. This is necessary in order to prioritize and predict production renewal.

- to abolish for three years import customs duties and VAT on imported technological equipment for the textile and light industry, which is not produced in Russia.

- to introduce differentiated taxation of fixed assets, depending on the terms of their operation, thereby stimulating the renewal of their active part.

- exemption from taxation of that part of the profit that is directed to the modernization of production. that is, to seek the restoration of the previously valid benefit, which has been actively working not so long ago and allowed most enterprises to solve their local problems.

- Creation of a sectoral leasing company in the country, possibly with the participation of state capital, similar to Agropromleasing.

- given that the worn-out fixed assets of enterprises practically do not have a collateral value, to strive for federal executive bodies and constituent entities of the Russian Federation to act as guarantors of the implementation of the most significant technical projects.

Next problem- creation of conditions for fair competition for shoe enterprises, excluding the huge scale of illegal import of cheap low-quality products from abroad. For this, it is necessary to increase the size of customs duties on imported footwear.

To protect the domestic market from unfair competition, it is advisable to develop a Consumer Market Law. It should, in particular, be provided for.

- a prohibition for trading organizations, including markets, to accept goods for sale from individuals who are not registered as an entrepreneur without forming a legal entity;

- misleading attribution to unfair competition: designation of an enterprise, false designation of the geography of goods origin, product counterfeiting, false accusations or unfair marketing, complication of market access, etc.

To change the situation on the domestic footwear market of the regions of the Southern Federal District and the North Caucasus Federal District, as well as, in connection with the need to satisfy the existing deficit for children's shoes, we proposed the following methods: to put into operation new production facilities to satisfy the existing deficit and place them in the regions of the Southern Federal District and The North Caucasus Federal District, while we believe that we can use the existing empty buildings in order to reduce the cost of shoe production; in case of a shortage of working capital, recommend financial leasing, loans or factoring to enterprises; to produce shoes for children with different levels of family income, from materials of different cost, so that by varying the level of profit, including through the production of expensive shoes for an adult buyer, it would be possible to compensate for the costs of

producing shoes from cheap materials for children. At the same time, it is desirable for each enterprise to sell such a volume of footwear in its price segment that will ensure not only a steady demand for it, but also the constant development of the enterprise. This style of work is used by the developed enterprise for the production of children's shoes LLC "Yegoryevsk-obuv": to develop an assortment of footwear for children, taking into account the climatic conditions and national characteristics of each subject of the region; to make shoes of various methods of fastening the blank of the top to the bottom (thread and combined fastening methods); use nano - and innovative technologies in the production of children's shoes. This style of work is used by the developed enterprise for the production of children's shoes LLC "Yegoryevsk-obuv": to develop an assortment of footwear for children, taking into account the climatic conditions and national characteristics of each subject of the region; to make shoes of various methods of fastening the blank of the top to the bottom (thread and combined fastening methods); use nano - and innovative technologies in the production of children's shoes. This style of work is used by the developed enterprise for the production of children's shoes LLC "Yegoryevsk-obuv": to develop an assortment of footwear for children, taking into account the climatic conditions and national characteristics of each subject of the region; to make shoes of various methods of fastening the blank of the top to the bottom (thread and combined fastening methods); use nano - and innovative technologies in the production of children's shoes.

Currently, other domestic footwear enterprises operating in a competitive environment with variable external influences attach more and more importance to marketing research of their products. If the value of the results of the marketing system at a shoe enterprise is underestimated, its production capacity, intellectual and human potential become unclaimed. The dynamics of the impact of market demand on the produced assortment of footwear should be monitored by the marketing service at all stages of its life cycle and taken into account in systems responsible for the quality and quantity of manufactured products, their price, the introduction of innovations, and the development of new types of products.

This is due to the fact that the market situation changes at each stage of the life cycle and requires a corresponding change in the strategy and tactics of the behavior of the shoe company on the market, which is of particular importance.

Basic types of shoes go through 4-5 stages before disappearing from the market: introduction (introduction to the market), growth (development), maturity (stabilization), decline (decline and renewal of products), dying (dying and the beginning of the cycle of renewal of the range of shoes) ...

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The first stage is the presentation stage (the period when new types of footwear are introduced to the market). At this stage, the demand for footwear is growing slowly. This is due to the fact that the period when a new type of footwear is introduced to the market is not yet known to most prospective buyers.

At this stage, the company makes a small profit. Often, an entrepreneur calculates losses, sometimes even very large ones. Sellers are usually very careful about adding shoes that are in the presentation stage to their inventory. They realize that most of the regular customers are not familiar with this type of footwear, so there is always a difficulty in selling these types of footwear. At this stage, prices are set at minimum, the enterprise has little or no profit.

The second stage is the growth stage. If this type of shoe survives in the first stage, it continues to develop. At this stage, sales are growing rapidly. Modified versions of the base shoe must be offered to meet the growing market. Relative margins are high.

The third stage is the maturity stage. At this stage, shoes have their own market and are in demand. At the stage of maturity, competition increases and reaches its maximum, as shoe types from other manufacturers enter the market. As a result, both overall and per unit profit margins are reduced because discounts are widely used.

The fourth stage is the recession stage. At this stage, the shoes that do not undergo any changes become boring to consumers or the need that they were designed to satisfy disappears. An unpredictable reason for the decline in sales during the recession can be the technical obsolescence of this type of footwear. During the downturn, sales across the industry decline and many businesses leave the market as the number of consumers decreases, and the product range of footwear concentrates on the best-selling models in the free market.

The fifth stage - the stages of decline and dying, that is, the decline and renewal of the range of shoes,

as well as the dying and the beginning of the cycle of renewal with new types of shoes, are characterized by a slow and then a sharp drop in demand. In the face of declining sales and profit margins, manufacturers sometimes struggle to restore demand for a particular shoe. These include the following steps: a new type of packaging, special advertising and price changes.

Although it is quite difficult to abandon the range of shoes produced, sooner or later, as sales continue to decline, entrepreneurs are forced to make such a decision.

For shoes that are clearly in decline, sales reps begin to cut back on supplies, try to minimize repeat orders, and then phase out the supply of these types of shoes. They can even lower the prices of leftovers in order to ditch the given type of footwear entirely.

Thus, each stage of the shoe's life cycle is a variable that determines the marketing activities in the target market.

The life cycle of a shoe depends on the number of similar types of footwear, their competitiveness, as well as on the correct management decisions aimed at developing auxiliary measures to optimize the structure of the life cycle of this type of footwear (Table 1).

The correct use of different marketing elements at different stages of the shoe life cycle is presented in the table.

It is very important to maintain an optimized life cycle, to determine the initial price for the type of footwear produced and the maximum possible price reduction, provided that production is still breakeven. To optimize this factor, the company should develop discount systems that allow attracting various consumer segments to the purchase of the company's products and thereby reduce the stocks of manufactured but not yet sold products at the moment when it becomes clear that this type of footwear is losing its previously occupied market. niche.

**Table 1 - The main elements of marketing at different stages life cycle of a type of shoe**

Element you are marketing	Life cycle stages of a type of shoe				
	representation	height	maturity	decline	dying
Objectives	Bring the product to the market	Conquer a strong position	Maintain market position	Introduce all stocks into circulation	Move to a new lossless lifecycle
Price	High	High then slowly starts decline	Stabilizes, then decreases	Keeps on falling	Minimal (up to scanty)
Sales channels	Agents supplying test consignments of goods	Use - channels are established to increase sales, wholesalers are included	Zadeyzova - we are all possible channels	The number of distribution channels is decreasing	Only those channels that provide - minimum new delivery

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Advertising	On the consumer properties of the new product, its advantages, its prestige is emphasized	Advertising is intensified, it focuses on a variety of shopping motives	Supportive, persuasive	Supportive, reminiscent	Reminding
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In addition, a shoe company can initiate price reductions in case of underutilization of production capacities, a reduction in market share under the onslaught of an aggressive competitive environment, etc.

If an enterprise uses a proactive periodic price reduction as a tool for influencing consumers, taking care of its costs, developing measures to reduce them by improving equipment and technology, introducing new types of materials into production, constantly improving the quality of footwear, then one should be wary of a premature or sharp decrease product prices. Because the retail consumer of footwear may develop a stereotype about the “poor quality” of the goods offered to him. And as a result, the company will receive not an increase in profits due to an increase in sales due to a decrease in prices, but a sharp drop in demand for this type of footwear and, as a result, a decrease in sales and a negative financial result for this type of footwear [23].

Different enterprises have different approaches to determining the strategy for the production of a range of footwear, depending on the needs of the market, available resources, and characteristics of demand. Moreover, the same shoe company can use different strategies in relation to different types of shoes. The choice of strategy is usually based on its competitiveness. Various approaches or methods of analyzing the portfolio of orders are used, which allow evaluating the nomenclature of the manufactured assortment of shoes in terms of the profitability of its individual elements.

One such approach has been proposed by the Boston Advisory Group. This method allows for the classification of various combinations of footwear with a differentiated production program based on the so-called growth matrix, or “portfolio of business lines”.

The application of this approach requires taking into account the existing and potential market segmentation, various time aspects of the profitability of a particular combination of shoe types, as well as the influence of competition. For example, an enterprise may be the largest in its industry, but at the same time not occupy a leading position in any of the market segments.

For combinations of shoe types that are characterized by low sales growth, it is noteworthy that their market share is usually high and can be

offered to the consumer, since they are able to generate more revenue than is required for investment in production. These shoe combinations are especially popular with sales agents because of their high demand, and are attractive to the sales and marketing manager because they can generate the real money needed to develop and support the marketing of new or updated footwear.

The really tough challenges are posed to management, marketing and sales managers for footwear that has a small market share, often needs support, and lags far behind the leaders in terms of market position and consumer confidence. Those who deal with it inevitably have the following questions: will it become in demand, how much time and money will it take for it to be in demand, what is its perspective on the market? These combinations of shoe types are generally not favored by salespeople. Small market share and weak demand, often low confidence and ignorance of buyers, weak advantages over competing types of footwear make it difficult to sell them. However, if there is a demand for them, sales agents should devote all their efforts to organizing their sales. In doing so, the sales and marketing manager may be faced with the need to introduce a special incentive commission rate and provide personal leadership to support the sales force's efforts to market these shoe combinations.

Consequently, only in a close alliance of manufacturers and distributors engaged in the sale of the assortment of footwear manufactured by these enterprises, it is possible to form highly efficient shoe enterprises in the Southern Federal District and the North Caucasus Federal District, capable of operating in a free market.

The formation of consumer demand is of current importance in the conditions of market relations, since knowledge of the processes of development, management and satisfaction of the population's demand for specific consumer goods makes it possible to make informed management decisions when drawing up a production program, planning retail trade and its supply of goods. In addition, the study of the regularities of the formation of the effective demand of the population for certain groups of goods makes it possible to purposefully influence the volume and structure of their production and consumption in order to identify the quantity of goods and their qualitative structure, which, in turn, will most fully

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satisfy the needs of the population with the available resources.

The footwear market is a constituent element of economic relations, in which, on the one hand, footwear manufacturers are participants, and on the other, consumers. Footwear is one of the most important goods produced by the light industry of the Russian Federation and imported from abroad. The degree of satisfaction of consumer demand, profitability and profitability of manufacturers depend on the competitiveness of the assortment. The result of the interaction of the constituent parts of the market (demand, supply, price for shoes) is the ability to maximize the satisfaction of demand for products at a specific price.

The Southern Federal District and the North Caucasus Federal District are the most compact districts in Russia. Their total area is 589.2 thousand km<sup>2</sup> (3.5% of the territory of Russia), the population is 22.8 million people. (14.9% of the population of Russia).

Demand parameters include:

- comparative competitive advantages... The product must have pronounced features or pronounced advantages in comparison with analogues existing on the market, products or services of competitors;

- social orientation... At the same time, it is necessary that the product fits into the existing social conditions, so that the proposed product corresponds to the prevailing lifestyle and system of values of the consumer;

- ability to satisfy the consumer... That is, the product must perform all functions to meet the key needs and requests of the buyer.

Demand is driven by consumer preferences, where it is not objective characteristics that are decisive, but the subjective perception of the properties of the shoe - the purchase value, consisting of a number of components. Therefore, it is important to establish by what evaluation criteria the buyer purchases footwear with the desired combination of properties.

When choosing shoes, the consumer relies on a certain set of requirements that he makes for the product. This set of consumer requirements is presented in Table 2, which was formed based on the data of a sociological survey of 1000 residents living in the city of Rostov - on - Don, conducted by employees of the Institute for Advanced Studies in the city of Rostov - on - Don.

The calculation method is that the number of respondents who assigned the parameter the first place is multiplied by 9 points, as by a maximum of a nine-point system. Then the number of respondents who assigned the parameter the second place is multiplied by 8 points. After the survey of all the respondents according to the parameter under study, the sum of the points is determined. Further, this amount is divided by 100 for convenience of presentation. The parameter with the highest score is the highest priority, with the lowest score is the least priority. This technique has established itself as the most effective and has long been used by marketing services, so it was preferred.

**Table 2- Buyers' priorities when choosing shoes**

Parameter	Number of responses from buyers with a preference for a place from 1 to 9									Indicator scores	Priority
	1	2	3	4	5	6	7	8	9		
Quality	424	283	175	118						80.1	1
Convenience	302	221	235	145	47	50				74.36	2
Affordable price	274	216	186	161	91	72				72.05	3
Natural leather		182	170	198	155	123	172			56.2	4
Durability		98	163	204	193	184	88	70		52.5	5
Fashion			71	102	272	243	184	128		42.5	6
Design				72	145	179	201	246	157	31.3	7
Natural fur					97	149	228	282	244	25.7	8
Color							127	274	599	15.28	9
Total:	1000	1000	1000	1000	1000	1000	1000	1000	1000		

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Thus, according to Table 2, when choosing shoes, buyers are guided by the quality (80.13 points), convenience (74.36 points) and price (72.05 points) of the product. Customers give the least preference to shoe color (15.28 points). Buyers' priorities also depend on their age group. For all groups of buyers, the priority is the quality and comfort of the shoes. Also, the institute's marketers revealed that among other factors for buyers under 40 when choosing shoes is fashion and design, while for buyers over 40 years old - this is the price. The quality of imported footwear is satisfied only by 35% of surveyed buyers, 32% - note its low quality level, 54% of buyers are satisfied with the quality of Russian footwear, 26% - the quality is not satisfied, 35% - consider domestic footwear quite comfortable, 39% are uncomfortable. On average, shoppers purchase two pairs of shoes a year.

The data obtained reflects the gaps between buyers' requests and the achieved level of domestic footwear production. That is, more than half of the respondents are satisfied with the quality of domestic footwear, but 39% of the respondents consider domestic footwear uncomfortable.

If we focus on the fact that 47% of the region's population are rural residents with a low level of income, then, accordingly, footwear produced in the region should first of all meet two main requirements

- convenience and low price. Then the released footwear will be successfully sold in the region. Of course, other characteristics are also important, especially if the target market is not only the regions of the Southern Federal District and the North Caucasus Federal District, but the regions of Russia.

Shoe manufacturers want to know what to expect from the future state of the market. This knowledge for them is a matter of "life and death". Anyone who knows how demand, product supply and prices will change in a month, in a year, in five years, can make the most effective commercial decision. Therefore, one of the most important functions of marketing is market forecasting.

Market forecast is a scientific prediction of the prospects for the development of demand, product supply and prices, carried out within the framework of a certain methodology, on the basis of reliable information, with an assessment of its possible error.

To analyze the demand for footwear, we will calculate the aggregate demand in the regions of the Southern Federal District and the North Caucasus Federal District and make a forecast assessment of its behavior.

A shoe manufacturer in the Southern Federal District and the North Caucasus Federal District is presented in Table 3.

**Table 3 - Manufacturers of footwear in the Southern Federal District and the North Caucasus Federal District**

Manufacturer's name	Release in 2020, thousand pairs	Specific weight,%
State Enterprise KBR "Narbek"	43.3	0.36
FL LLC "Bris-Bosphorus"	11047.8	91.52
ZOA "Donobuv"	233.7	1.93
LLC "Mercury TV"	89.3	0.74
LLC "Mira"	175.7	1.08
FL CJSC "Donobuv Taganrog"	406.6	3.38
FL CJSC "Donobuv Salsk"	74.6	0.62
Total:	12071	100

Thus, the market capacity is equal to E = 12071 thousand pairs (Table 3), which corresponds to 19917 million rubles.

Naturally, knowing the capacity of the market, one can determine the coefficient characterizing the satisfaction of demand using the formula

$$k = \frac{E}{C} = \frac{19917}{137129,37} = 0,145, \quad (1)$$

The value k = 0.145 indicates that there are huge reserves for the enterprises of the regions of the Southern Federal District and the North Caucasus Federal District to increase the volume of sales, and with a greater degree of certainty it can be argued that the demand for products due to domestic shoe

enterprises located on the territory of the two analyzed districts is not satisfied.

The obtained forecast of market development showed a possible increase in market capacity in the range of 82,048.67 million rubles. up to 152376.07 million rubles.

### Conclusion

According to the calculations, there is a deficit for footwear in the regions of the two districts. Further, the quantitative value of the shortage of footwear is calculated for each segment of the regions in two districts.

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The need for shoes is calculated from the recommended wardrobe indicators for children under 4 pairs, women 5-7 pairs, men 3-4 pairs. On the basis of data on the required consumption and real output of footwear, the size of the deficit is compiled for each assortment group and for each constituent entity of the Southern Federal District and the North Caucasus Federal District.

The greatest shortage of footwear is noted in the North Caucasus Federal District, in some regions it is 100%. The situation is a little better in the Southern Federal District, where the deficit of footwear is

59.2%. In total, in the Southern Federal District and the North Caucasus Federal District, the deficit in footwear in 2009 was equal to 46105 thousand pairs, i.e. 74%.

Thus, the presence of such a deficit, as it were, creates the basis for organizing shoe enterprises in regions where today a tense social situation remains due to the lack of jobs, and only the goodwill of the municipal, regional and federal branches could implement our proposals and significantly facilitate the life of multinational peoples these regions.

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