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ON THE ROLE OF THE ASSORTMENT POLICY FOR THE PRODUCTION OF COMPETITIVE AND DEMANDED DOMESTIC **SHOES**

Abstract: The article considers the target segment (market) as a segment selected as a result of market research for a particular product or service, characterized by minimal costs for means of promoting goods and providing the enterprise with the bulk of the result of its activities. The footwear market is an integral element of economic relations, the main participants in which are, on the one hand, shoe manufacturers, and on the other, consumers. As a product in this market, footwear is one of the most complex groups of non-food products with a very diverse assortment. Segmentation was carried out, during which it was revealed that when creating new enterprises for the production of footwear products, the selected five subjects of the Southern Federal District and the North Caucasus Federal District are not attractive in a competitive environment due to the successfully developed footwear production. The basic requirements to be met by modern shoe production have been determined.

Key words: market, costs, quality, footwear, competition, assortment, demand, competitiveness, demand, image. Language: English

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Introduction

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Shoe companies have never found themselves in such a situation as they are now. All markets are divided into many segments. Specialization has reached such a level that it is still possible to hide from competition only in a small space between two adjacent segments of different markets or the same market.

What is the main thing today for the success in the market of many new and long-standing firms, small, medium and large enterprises, many of which

were small not so long ago, for numerous commercial structures and joint ventures? This is the ability of the firm to provide the consumer with shoes of higher quality than before, and moreover, for the same or less price.

Modern production or, as it is also called, worldclass production must meet the following requirements:

- have greater flexibility, the ability to quickly change the range of products. The life cycle of products has become as short as ever, the variety of product assortments is higher, and the seriality of products, the volume of batch of a single release is



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less. Hence, production focused on the release of mass, standardized products (strictly corresponding to standards, specifications, technical conditions), unable to constantly adapt to the needs of real, often small groups of consumers, is now doomed to extinction;

- use new forms of control, organization and division of labor, taking into account the more complex production technology;
- rely on comprehensive quality management. Requirements for quality not only increased, but also changed the nature of decision-making: it is not enough to produce good products, it is also necessary to think about organizing after-sales service, about providing additional branded services to consumers who are highly individualized in their requests;
- simultaneously improve product quality and reduce costs. If earlier it was possible to offer the consumer a lower quality product at a lower price and, conversely, a high price always corresponded to high quality, today the situation has changed. A higher quality product should be provided at the expense of the same lower price.

Now in our country there is a situation where most of the population has a very modest income, and it is she who is a potential buyer of mass-produced footwear.

Solving the problems of style, marketing, advertising will allow domestic footwear of mass production to be demanded by this wide sector of the population of Russia. Small and medium-sized shoe enterprises should provide footwear to a more profitable part of the population, however, as well as highly automated production complexes.

In recent years, the absolute increase in the production of leather footwear has been constantly increasing, the range of footwear is being updated at shoe enterprises taking into account the demand of the population, the production of model and insulated footwear, footwear with white leather tops and genuine patent leather, smart shoes for children is increasing. The transition of the country's economy to market relations led to a sharp deterioration in the situation in the footwear industry in Russia due to a decrease in the effective demand of the population, deepening inflationary processes, a crisis of non-payments, which, in turn, caused an imbalance in production and circulation.

The footwear market is an integral element of economic relations, the main participants of which are, on the one hand, shoe manufacturers, and on the other, consumers. As a product in this market, footwear is one of the most complex groups of non-food products with a very diverse assortment.

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, the profitability and profitability of organizations depend on the correct

determination of the quantity and quality of models produced by shoe enterprises, on the competitiveness of the assortment. The result of the interaction of the constituent parts of the market (demand, supply, prices for shoes) is the possibility of supply to satisfy the demand for products at a specific price to the maximum extent possible.

Thus, the importance of the footwear market lies in meeting the needs of the population. Accordingly, the development of the market leads to an increase in the level of security of an individual member of society. Markets are made up of buyers, and buyers differ from each other in a variety of ways: according to their needs, financial and other capabilities, location, buying attitudes and buying habits. When segmenting a market, businesses divide large, heterogeneous markets into smaller (and more homogeneous) segments that can be served more efficiently, according to the specific needs of those segments. For the successful sale of manufactured products, shoe enterprises first of all need to segment the consumer market and determine the target segment of this market.

Main part

What is the main thing today for the success in the market of many new and long-standing firms, small, medium and large enterprises, many of which were not so long ago, for numerous commercial structures and joint ventures? This is the ability of the firm to provide the consumer with shoes of higher quality than before, and moreover, for the same or less price.

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In a general sense, market segmentation refers to the process of dividing the market into groups of consumers according to predetermined criteria, which allows you to concentrate funds on the most effective. A market segment is a homogeneous set of consumers who react in the same way to a product and the way it is presented.

Target segment (market) - a segment selected as a result of market research for a particular product or service, characterized by minimal costs for means of promoting goods and providing the enterprise with the bulk of the result of its activities (profit or other criteria for the purpose of the enterprise entering this market). In a general sense, market segmentation refers to the process of dividing the market into groups of consumers according to predetermined criteria, which allows you to concentrate funds on the most effective. A market segment is a homogeneous set of consumers who react in the same way to a product and the way it is presented.

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Segmentation of the footwear market in the Southern Federal District and the North Caucasus Federal District can be carried out both on the basis of one or with the sequential use of several indicators, clearly presented in the diagram (Figure 1).

Results of segmentation of the analyzed basic footwear marketThe Southern and North Caucasian Federal Districts can be presented in the form of a table of ratings. The segment with the lowest total of seats is the most attractive.



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Criteria for segmenting the footwear market in the Southern Federal District and the North Caucasus Federal District				
1	2	3	4	5
Subject segmentation	Segment object	Segmentation by size	Segmentation by level profitability	Segmentation to size average wages
All enterprises that produce or intend to produce footwear in the territories of the South and North Caucasian Federal constituencies	Southern and North Caucasian Federal Districts of the Russian Federation	The larger the population of the segment, the more profitable for the enterprise	The higher profitability of each resident, the greater the chance of purchasing the company's products	The higher the salary of a resident, the more likely he will spend it on shoes

Figure 1. - Criteria for segmenting the footwear market in the Southern Federal District and the North Caucasus Federal District

As a result of the analysis of the table, two regions and three regions were identified where the highest segmentation of the consumer market is observed from two districts: Krasnodar region - 2.15%, Rostov region - 2.65%, Astrakhan region - 2.7%, Volgograd region - 3, 25%, Stavropol Territory - 5.4%.

However, when performing segmentation, you need to consider the goals of the segmentation.

When creating new enterprises for the production of footwear, the five of these subjects of the Southern Federal District and the North Caucasus Federal District are not attractive in a competitive environment due to the successfully developed footwear production.

Table 1 - Results of segmentation of the consumer market of the Southern Federal District and the North Caucasus Federal District by the method of the sum of places, taking into account the weighting factors

Name	Ranking positions			Amount	
territorial units	profitability, score × 0.45	salary, score × 0.30	number, score × 0.25	points,%	
Southern Federal District, v. incl.					
Krasnodar region	1.8	0.6	0.25	2.65	
Republic of Adygea	3.6	2.1	2.75	8.45	
Republic of Kalmykia	4.95	2.4	3.25	10.6	
Astrakhan region	0.9	0.3	1.5	2.7	
Volgograd region	1.35	0.9	1.0	3.25	
Rostov region	0.45	1,2	0.5	2.15	
North Caucasian Federal District, incl.					
Republic of North Ossetia - Alania	2.25	3	2	7.25	
Kabardino-Balkar Republic	2.7	3.6	1.75	8.05	
The Republic of Dagestan	4.5	3.9	1.25	9.65	
The Republic of Ingushetia	5.4	1.8	2.5	9,7	
Karachay-Cherkess Republic	4.05	3.3	3	10.35	
Stavropol region	3.15	1.5	0.75	5.4	
Chechen Republic	5.85	2.7	2.25	10.8	

As a result of segmentation, it was determined that the population of the two districts is unevenly distributed over the territory. The population's income is much lower than the average in Russia. When

forming the range of footwear, one should also take into account the fact that a large share of the population is rural residents. It is also necessary to



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take into account the national characteristics of the inhabitants, their traditions.

When organizing the sale of manufactured footwear, one should also remember that in the South and North Caucasian federal districts there were and remain so-called "hot spots", which are territories with a crisis in the economic situation and a negative political situation.

Correct definition of quality, consistency and systematic quality management give the manufacturer a decisive advantage in the competition for the consumer. It would seem that everything is simple, but simplicity is equally brilliant and deceiving. The general plan for solving the problem determines the vector of movement, sets the factorial priorities of the activity - no more.

A product made by man is dual in nature, it combines the natural properties of raw materials and the characteristics introduced into it by human labor. The product has a rental value and added value. In this context, it is not value that is important - it serves as a quantitative equivalent of the quality of a product in general, but the result of labor - in the form of a transformation of the natural state of an object. The product of human activity has a natural, basic, level and a superstructure, introduced. Hence the need for a dualistic perception of the quality of the product, which should not be interpreted primitively as a double quality. The quality of the product is the same, but the production duality of the product is associated with it.

Such two-sidedness of the quality of the product misleads those who, having not yet understood the art of dialectical thinking, strive to sort everything out "on the shelves", forgetting about the structure of which these shelves are parts. The quality of a product is only determined by a natural basis, but it is built artificially.

Product quality has several creators. This is a fashion designer, constructor, technologist, manager; their qualifications and experience are measured without problems. Others are also within reach, only their measurement is difficult, especially when it comes to the consumer.

The economic situation affects both producers and consumers, shakes the market on the waves of its uneven movement, and together with purchasing power and perceptions of quality.

Outwardly, determining the quality of a product produced for sale on the market seems an impossible task, because for this it is necessary to combine not converging, but (mostly) diverging views. Krylov's Fish, Cancer and Pike are involuntarily recollected, who have undertaken to drag the cart. In our case, there are even more subjects.

The designer, technologist, manager develop their understanding of the quality of the goods (they can be combined), they are linked by the common interest of the manufacturer. The buyer has a special approach to quality. As a consumer, he is not sure about the integrity of the manufacturer. In addition, the buyer has his own tastes, reasons, conditioned by the real buying opportunity. There are also the interests of the market, which has become an independent subject of the economy. Speculation is legalized and attracts with its potential. By controlling the market, an intermediary - a speculator - is able to form an image of quality in his own interests, in particular, through advertising, giving priorities, etc. Finally, there is the quality of the product itself, expressed in the totality of properties of natural origin and added by the manufacturer. As a result, we came to the "quality square", combining product quality and quality image.

Anything common exists objectively, but only through a single one: at the end of the process, there is always a separate, concrete buyer Pyotr Stepanovich Sidorov and boots, which Pyotr Stepanovich chose from dozens of different ones. They seemed to him the best in quality and price. The sales assistant professionally explained to Petr Stepanovich that there are better quality boots in the same price range, but, being an independent person, he did not change his mind. This is why pre-sale preparation of products and the culture of the seller are important. The last word belongs to the buyer, his perception of the quality of the product. Everything else only plays up to him.

The most serious contradiction, apparently, remains the discrepancy in the images of product quality between the manufacturer and the consumer. The special importance of a different approach to the quality of the manufacturer and the consumer is natural. They are the main subjects of the system of economic relations, they have a common goal - a product. The former make it, the latter consume it, but they have different motives due to their different position in the system and the culture of target perception.

The manufacturer creates a product, but not a product - the ultimate goal of the manufacturer, but the sale of the product. The direct connection between the producer and the consumer is local because it has a negative effect on the producer. The seller blocks the consumer from the manufacturer, and the manufacturer is forced to focus not on the market, but on the market situation, which is most often artificially formed by the speculator and advertising.

Money, perhaps, does not "smell", advertising policy frankly "stinks", it is so far from objectivity and free from professional honor. Being in a state of irresponsibility for information, advertising serves the market clearly and in any form.

The manufacturer, unlike the seller, is responsible for information both by law and by his professional reputation. The seller manipulates the information as he sees fit - the manufacturer is



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constrained by responsibility, moreover, the market often dictates the rules of relations to him.

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As a result of segmentation, it was determined that the population of the two districts is unevenly distributed over the territory. The population's income is much lower than the average in Russia. When forming the range of footwear, one should also take into account the fact that a large share of the population is rural residents. It is also necessary to take into account the national characteristics of the inhabitants, their traditions.

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Conclusion

Assortment formation - the problem of specific goods, their individual series, determining the relationship between "old" and "new" goods, goods of single and batch production, "high technology" and "conventional" goods, materialized goods and (or) licenses and know-how ". When forming the assortment, problems of prices, quality, guarantees, service arise, whether the manufacturer is going to play the role of a leader in creating fundamentally new types of products or is forced to follow other manufacturers.

Assortment formation is preceded by the development of an assortment concept by the enterprise. It is a directed construction of an optimal assortment structure, a product offer, while, on the one hand, the consumer requirements of certain groups (market segments) are taken as a basis, and on the other, the need to ensure the most efficient use of raw materials, technological, financial and other resources by the enterprise from in order to produce products at low costs.

The assortment concept is expressed in the form of a system of indicators characterizing the possibilities of optimal development of the production assortment of a given type of goods. These indicators include: a variety of types and varieties of goods (taking into account the typology of consumers); level and frequency of assortment renewal; the level and ratio of prices for goods of this type, etc.

The assortment formation system includes the following main points:

- determination of current and future needs of buyers, analysis of the ways of using shoes and peculiarities of buying behavior in the relevant market;
- assessment of existing competitors' analogues;
- a critical assessment of the products manufactured by the enterprise in the same range, but from the point of view of the buyer;
- deciding which products should be added to the range and which ones should be excluded from it due to changes in the level of competitiveness; whether it is necessary to diversify products at the expense of other areas of the enterprise's production that go beyond its established profile;
- consideration of proposals for the creation of new models of footwear, improvement of existing ones;
- development of specifications for new or improved models in accordance with the requirements of buyers;
- exploring the possibilities of producing new or improved models, including questions of prices, costs and profitability.

But one thing is true: this is a constant evaluation and revision of the entire range.

In conclusion, I would like to once again draw your attention to the fact that all this will become a reality if one condition is implemented, namely, the products of the light industry will be produced of high quality and taking into account the interests of this very consumer.

What's the solution for the manufacturer? There is only one way out - a direct presence in the market and significant investments in education and education of consumers. It is difficult to overcome such a program alone, uniting is absolutely real. The domestic manufacturer has everything it needs to oust the speculator from the retail market. He has professional experience, qualified personnel, scientific and technical support, a certain confidence of buyers returning to the old, pre-reform priorities, which are actively exploited by unscrupulous manufacturers and to which the authorities shyly shut their eyes, which does not want to return to the Soviet experience. Confectioners, meat-makers, winemakers shamelessly use Soviet brands, replacing them with surrogates. The brands of Vyatka, Orenburg, Ivanovo, some Moscow and Leningrad enterprises are returning to the market. The tendency to return interest is gaining stability. Of course, clothes and shoes are not sausages and vodka or chocolate and confectionery products of natural origin.



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