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Terminological, process and formalized bases for identifying benchmarking strategies for construction companies

It is necessary to propose the following classification of the main competitive strategies that can be applied in the construction industry and will be of increased relevance in conditions of economic instability:

- 1) a violet strategy, which assumes that business units have relatively affordable prices and low costs, while ensuring an average level of quality;
- 2) the adaptive strategy is the high adaptability of small businesses and the requirements of customers;
- 3) a niche strategy based on a deep specialization of production - finding exclusive consumers, meeting their needs;
- 4) a strategy focused on innovation - in this case, the market is forced to change dramatically after the arrival of an enterprise.

Transitional strategies are possible, a combination of elements of strategies that are different in principle: if a structural department with significant independence is allocated within a business unit, it may well obey other principles than the enterprise as a whole. In the construction industry, this can be used to form a special service.

In the scientific literature on strategic management in connection with the development of competitive enterprises, many authors cite three types of basic strategies [1-3]:

- 1) price leadership;
- 2) differentiation;
- 3) focusing strategy.

These strategies are recommended to enterprises in order to attract and satisfy customers, as well as strengthen their market position. Having analyzed these

strategies, we can highlight the main advantages and threats of their use for enterprises in the construction industry.

The advantage of a dumping leadership strategy is the ability to offer a lower price than competitors at the same level of profit. In the face of severe contradiction between firms in the market, this will provide the ability to withstand competition, thanks to better starting conditions, however, business units will be relatively safe only as long as the price advantage and regularity of demand persist.

The aim of the differentiation strategy is to achieve a competitive advantage by creating unique services, the versatility of which and high customer loyalty create barriers to entry into the market of other enterprises that need to develop competitive potential for this. Substitute services can only pose a threat if competitors are able to provide services that are equally satisfying to customers and that can reduce loyalty. notes that the main problem that can arise when using a differentiation strategy is imitation and copying. The threat can also arise from changing customer requirements [1].

When applying a focusing strategy, it most often uses the distinctive advantage in the form of quality based on competence in a narrow area with a focus on a specific target segment. At the same time, a building complex with a focused strategy should be in a state of constant protection of its niche, since differentiating enterprises will create similar services, and the price leader will attract consumers at a low price.

In addition to the above classification, there are many options and nuances of using strategies. The enterprise needs to determine the optimal ones for itself, which will provide an increase in competitive advantages, based on resource capabilities and environmental conditions. At the same time, the responsiveness in the new economy is forcing business units to shift the focus from manipulating costs and differentiating products and services to knowledge and human resources management.

At the present stage of development of society, a special role is assigned to intangible assets, considered as a means of innovative provision of competitiveness, which is achieved through such specifications of services as:

- unimitability - there is a degree of protection from being used by competitors;
- irreplaceability - the possibility and danger of replacing services with insignificant imitation barriers to creating a resource similar to the replaced one is excluded;

- a high degree of added value and the ability to increase it [2].

Practical application of benchmarking consists in four sequential actions [3]:

- 1) detailed understanding of your own business processes;
- 2) analysis of business processes of other enterprises;
- 3) comparison of the results of their processes with the results of the analyzed economic entities;
- 4) introduction of the necessary changes to overcome the lag of the enterprise from competitors.

In fact, benchmarking covers all levels of work of business units, aimed at both the macro and micro environment. This is due to the fact that there are no restrictions on the study of experience, search and analysis of the most successful and progressive methods and tools for doing business on the market. Benchmarking is a trigger for enhancing the competitiveness of economic agents, comprehending that due to which some firms achieve significantly better results than others. In conditions of economic instability, the analysis of competitors, their activities and the reasons for success can help to improve the company's own well-being.

References.

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2. Porter M. (2005), *On Competition* M. Porter, Harvard Business School Pr., Boston, USA.
3. Newman D. (2013), *Do it! Marketing: 77 Instant-Action Ideas to Boost Sales, Maximize Profits, and Crush your Competition*, AMACOM, New York, USA.