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FORMATION OF THE MARKET CONDITIONS AT THE PRESENT STAGE: THEORETICAL ASPECT

ФОРМУВАННЯ РИНКОВОЇ КОН'ЮНКТУРИ НА СУЧАСНОМУ ЕТАПІ: ТЕОРЕТИЧНИЙ АСПЕКТ

The paper examines the theoretical aspects of researching the market situation at the current stage. Attention is paid to the analysis of the essence of the «market situation» category and its main components, which made it possible to determine the relative constancy of the meaningful content of this category. It is established that the market situation includes static and dynamic characteristics that provide a deeper understanding of the market's current state and its possible development. One of the key goals of the research is to identify new factors and conditions affecting the formation of the market situation. Among them, special attention is paid to such factors as globalization, digital transformation of economies, social and environmental responsibility, the speed of formation and dissemination of information, as well as the volume of information on individual indicators of the functioning of commodity markets.

Key words: conjuncture, market situation, indicators of the conjuncture, conditions of formation of the market situation, marketing analysis of the market situation.

У роботі досліджено теоретичні аспекти дослідження кон'юнктури ринку на сучасному етапі. Увага приділена аналізу сутності категорії «кон'юнктура ринку» та її основним складовим, що дозволило визначити відносну сталість змістовного наповнення цієї категорії. Встановлено, що кон'юнктура ринку включає статичні та динамічні характеристики, які забезпечують глибше розуміння як поточного стану ринку, так і його можливого розвитку. Однією з ключових цілей дослідження є виявлення нових факторів та умов, що впливають на формування ринкової кон'юнктури. Серед них особливу увагу приділено таким чинникам, як глобалізація, цифрова трансформація економік, соціальна та екологічна відповідальність, швидкість формування та розповсюдження інформації, а також обсяг інформації щодо окремих показників функціонування товарних ринків. Глобалізація суттєво змінила контексти функціонування національних ринків, сприяючи їх більшій взаємозалежності та взаємовпливу. Це призвело до того, що локальні події можуть мати глобальний вплив, і навпаки. Цифрова трансформація економік, зокрема впровадження нових інформаційних та комунікаційних технологій, призвела до суттєвих змін у структурі та динаміці ринків. Інтернет і мобільні технології змінили способи ведення бізнесу, зробили інформацію більш доступною і прискорили процеси ухвалення рішень. Соціальна та екологічна відповідальність стали важливими факторами, що впливають на поведінку споживачів і виробників. Зростає попит на екологічно чисті продукти та етично вироблені товари, що змушує компанії адаптувати свої стратегії та виробничі процеси до нових вимог. Обсяг інформації щодо окремих показників функціонування товарних ринків також збільшився, що створює додаткові можливості для аналізу та ухвалення рішень. Використання великих даних та аналітичних інструментів дозволяє компаніям отримувати більш точні прогнози та розробляти ефективніші стратегії. Дослідження теоретичних

аспектів формування кон'юнктури ринку на сучасному етапі свідчить про необхідність врахування нових вимог та викликів що виникають у зв'язку з глобалізацією, цифровізацією та зростаючою важливістю соціальної та екологічної відповідальності для успішного функціонування на ринку.

Ключові слова: кон'юнктура, кон'юнктура ринку, показники кон'юнктури, умови формування ринкової кон'юнктури, маркетинговий аналіз ринкової кон'юнктури.

Statement of the problem. Market research is an important element of the activities of modern businesses and government agencies. Market research provides important information on the current state of the market, its main trends and prospects for development, a list of factors and influences on the main market characteristics: price, supply and demand. For businesses, market intelligence provides comprehensive information for effective pricing based on existing market trends and competitors' pricing strategies, as well as data for forecasting demand levels, which determines production targets and approaches to inventory formation. Market research allows the company to choose the most effective sales channels based on the identification of promising segments, including international ones, which contributes to business development. In terms of consumption indicators, market research helps to better understand the needs and preferences of consumers, assess their satisfaction, and identify possible areas for improving and enhancing their own products (goods, services, technologies).

Analysis of recent research and publications. Considerable interest in determining the essence of the category «conjuncture» was observed among philosophers and economists of the late nineteenth and twentieth centuries. In the scientific publications of F. Lassalle, W. Sombart, W. Röpke, A. Schäffle, A. Wagner, various aspects and content of this category were determined. Over time, the essential content of the definition of «conjuncture» has not undergone significant changes, but the list of indicators of conjuncture, methods and tools for studying market conditions has significantly expanded, the pace of data formation and interpretation, the nature of the influence of market conditions on management decision-making and the development of individual markets have changed.

Formulation of the research task. The purpose of the study is to highlight the theoretical aspects of the formation of the market situation at the current stage of the development of digital technologies.

Presentation of the main research material. The market is characterized by a large number of indicators that are studied by existing and potential participants for making the most rational and optimal decisions on the strategy of behavior in the long and medium term, assessing existing prospects and alternative strategies. The whole set of economic conditions that have developed in a particular market at a particular time, and which determine the features of the process of sales of goods is called market conditions.

The term «conjuncture» comes from the Latin «conjunctura» as a combination, a combination of circumstances, a combination of conditions that form a temporary situation. By definition [1, p. 71] «conjuncture» reflects the most important features, traits, indicators and trends that characterize the current and promising state of development of the world economy, the economy of an individual country or the market for goods and services.

Market conditions are evaluated and investigated using quantitative and qualitative indicators that allow to identify changes, identify trends in their development, characterize the dynamics of indicators, etc.

All existing scientific approaches to the interpretation of the category «conjuncture» in the work [2] are conditionally divided into two. According to the first, the situation should be understood as a set of circumstances and conditions that affect and determine the state of the economy, development trends and relevant results in the markets and in certain industries. According to the second approach, the situation is the immediate state of the market, characterized by a number of quantitative and qualitative indicators (supply and demand ratio, price level, production and consumption, balance of payments, exchange rates, etc.). Therefore, the category «conjuncture» simultaneously reflects the specific state of the market and the conditions that determine this state, characterizes the actions of objective market laws in dynamics, explains the changes in market indicators that occurred under the influence of external and internal factors, provides a quantitative and qualitative assessment of economic processes.

The essence of the category «conjuncture» is investigated in the works of foreign and domestic economists. Among foreign researchers, one of the first definitions was given by the German philosopher F. Lassalle, who defined the conjuncture as a certain set of interconnected economic processes and unknown circumstances surrounding a person of the «mercantile world». Since the XVII century, the term «conjuncture» in the works of W. Sombart, W. Röpke, A. Schäffle is used to characterize the position of things and temporary relationships. Later A. Wagner will propose under the conjuncture to understand the totality of technical, social, economic and legal conditions that determine in the national economy the level of supply and demand, the value of material production, the prices of goods and services, regardless of the efforts and will of economic entities and individual costs that are required to create a certain good. V. Groman identified the conjuncture with the movement of individual elements of the national economy in their relationship. M. Kondratiev considered the conjuncture synonymous with the category of economic dynamics as a constant process consisting of undulating, spontaneous reversible processes and processes of irreversible, evolutionary, reflecting the progressive development of the production forces of society. That is, the economic situation of each moment reflects the direction and degree of change in the totality of elements compared to the previous moment in time. S. Pervushin offers separate definitions for a static and dynamic understanding of the situation. In the static aspect, the conjuncture represents the fixation of the state of development of the national economy at a certain moment in time and the comparison of this state with any other period of time preceding it. Dynamic definition characterizes the situation as a continuous process, movement, change and development [3].

One of the first researchers of the economic situation among domestic scientists was M. Tugan-Baranovsky. He focused on the need and importance of studying the economic situation, described the mechanism of the crisis in the economy and the theory of the movement of the economy, substantiated the essence of the definition of «market conditions». In particular, under the category of «market conditions» M. Tugan-Baranovsky did not understand the relationship between supply and demand, but the result of the interaction of various factors of influence and conditions on consumption and production, which in turn affects the level of supply and demand, trends in its development in accordance with price changes and other factors [2].

Some scientists consider the category of conjuncture through the prism of economic cycles. In particular, K. Zhugliar defined the economic situation through the state of development of the national economy, which is characterized by stages of economic development with a subsequent fall due to imbalances [4]. Mitchell also studied economic conjuncture in the context of cycle theory. He singled out certain stages of the economic situation on the basis of an analysis of statistical series: prosperity, recession, depression, revival. Mitchell’s merit is also the modeling of processes that affect and change the economic situation, as well as the statistical study of factors that explain and reflect the influence of individual processes on the change in the economic situation [2]. The study of the conjuncture on the basis of the concept of long-term cyclical fluctuations was conducted by M. Kondratiev.

Representatives of various economic schools formed the foundations of the theoretical and methodological doctrine of conjuncture. At the same time, the scientific literature still lacks a unified understanding of the essence of the category «conjuncture». Researchers use similar in content or often related approaches, combine several approaches in providing their own vision of the essence of this category (Fig. 1). Among the existing definitions, the following meaningful characteristics can be distinguished: «process», «result», «state, situation, static characteristic», «changes, movement under the influence of factors, dynamic characteristic», «combination of conditions and factors», «ratio of market elements».

Based on the study of theoretical approaches to the essence of the category «conjuncture», their comparison and generalization, V. Smiesova offers the following definition of the definition: «market conditions are the situation on the market at a certain moment or period of

time, formed under the influence of internal and external, price and non-price factors, as well as changes in the market and is characterized by the level and dynamics of supply and demand, as well as the price level» [2]. The author also offers her own understanding of the category of «market research» as a systematic set of activities and operations aimed at obtaining information on the state of the market, the ratio of supply and demand on it, the characteristics of the product and other indicators. At the same time, the study of the situation is realized through the assessment and analysis of changes in the «traditional» indicators of the market: demand, supply, price, interest rates, as well as changes in external and internal factors in relation to this market. The static characteristics of the market situation cover the parameters of the market structure, production and consumption volumes, price level and other indicators that remain relatively unchanged for a short period. Dynamic characteristics, on the contrary, reflect changes occurring in the market over time, including trends in growth or decline in demand, price fluctuations, changes in the behavior of consumers and producers.

The economic market situation is a certain form of manifestation of the system of factors and conditions for their reproduction, taking into account the constant dynamic development, which is ultimately expressed through certain ratios of production and consumption, supply and demand, price dynamics and interest rates. Over time, the essence of the category «conjuncture» has hardly changed, since it determines the combination of factors of influence on the market and specific indicators of market development at a certain point in time.

In the work [5], the market situation is revealed through the constituent substantive elements: subject, scope, time frame, indicators. So the subject of economic conditions is defined market in the broad and narrow values of this category. In terms of coverage, the conjuncture is not limited to exchange only, but also includes production, distribution, exchange and consumption. Market conditions are consistent with specific historical conditions, since each stage of the development of the reproductive process corresponds to a specific combination of conditions and factors that are considered in dynamic development in time and space. The main form of manifestation of market conditions is the ratio of supply and demand, because they determine the state and dynamics of market changes. In the study of market conditions, causality is important. That is, a clear understanding and distinction between phenomena and events that cause, change, become the

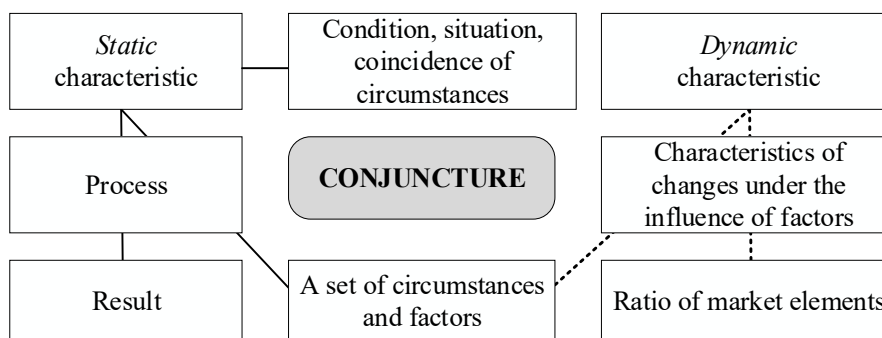


Figure 1. Key characteristics of the definition of the category «conjuncture»

Source: built by the author on the basis of [2; 3]

source or cause other phenomena or events that will be considered consequences. The same causes under different conditions cause different consequences. It should be taken into account that the consequences become the causes of other consequences.

The situation of a separate commodity market is not isolated and develops under the influence of general trends and factors, it changes in accordance with the degrees of connection with other commodity markets and the general economic situation. In this connection, the study of the situation of a particular commodity market is not possible without a preliminary assessment of the general economic situation in the country or the world. At the same time, commodity market conditions are an integral element of the general economic situation, and therefore determine certain of its trends and characteristics. The study of the market conditions of any market should be based on an understanding of the existing relationships between individual markets and an assessment of the course of general economic processes. Analysis of changes in economic conditions in different commodity markets should take into account the principles of consistency.

The market is a central category in the study of economic conditions and is usually defined as a set of diverse economic relations between economic entities regarding the organization and implementation of transactions for the purchase and sale of various goods and services. The market is also considered as a mechanism of interaction between the sphere of production and consumption, which is a dynamic category that necessitates a constant assessment of the proportionality of its development. Depending on the classification features used, different types of markets are distinguished: organized and unorganized, legal and illegal, monopoly and markets with pure competition, etc. The type and type of situation is partly determined by the market being studied. Market research can be general, integrated and differentiated according to local markets. Analysis of the conjuncture can be carried out on a global scale (world), on the scale of a region, industry, market of a certain commodity mass or a separate product (product or service).

The market situation is a complex phenomenon and at the same time rapidly changing, which consists of many diverse elements, the functioning and development of which sometimes takes place according to rather specific laws. In addition, markets are inherent in the spontaneity and randomness of the manifestation of certain elements: seasonal and cyclical trends, reaction to factors of a socio-economic nature, sensitivity to political statements, etc. However, certain periods in the development of specific commodity markets are characterized by relatively stable ratios of important characteristics and indicators of the situation.

In some markets, the situation can change extremely dynamically, in others, on the contrary, fairly stable indicators of functioning and development will remain. The vast majority of researchers of market conjuncture adhere to the general opinion that formation of conjuncture of world commodity markets, and accordingly national commodity markets, is based on processes of cyclical development of the world economy. At the same time, the formation of the situation is influenced by a set of factors that manifest themselves in the interrelationships of short-, medium- and long-term trends and directly determine

the content of the economic situation. It is also necessary to distinguish between conjuncture-forming factors (processes, phenomena and events that determine and form the nature of the market situation) and the conditions for the formation of the conjuncture (the external environment in relation to the conjuncture-forming factors themselves, which affects them, can determine the direction of development and its scale, forms of further manifestation of the market situation). If the essence of the market situation itself has not changed under the influence of the transformation of economic processes, then the conditions and factors of the formation of market conditions have changed due to the emergence of new social, economic and technological innovations (Figure 2).

The transformation of market processes due to the spread of digital technologies and the areas of their application determines the specific manifestations of market conditions, indicators of market conditions and methods for their identification and forecasting. Both the nature of information and its availability have changed. Forming large volumes of historical data on the market, sellers and consumers, price levels at specific points in time in certain geographical markets, modern technologies allow obtaining detailed and more accurate estimates of market conditions. At the same time, technological development together with the spread of globalization processes determine the pace of change in the main indicators of the situation. Modern market conditions are more dynamic and changeable, markets react faster to manifestations of political, economic and social factors.

Market conditions at the present stage are closely related to global factors: international trade, global currency markets, political events, global environmental problems, global currency and financial crises.

The impact of global factors is determined by the degree of openness of the economy and the level of integration of a particular market into the relevant global environment. Solving global problems and achieving the Millennium Goals form certain trends in the development of individual markets, respectively, affecting their situation. Increasing awareness of environmental problems is changing consumer preferences, regulatory restrictions to reduce the negative impact on the environment are transforming production technologies, which also affects the market environment. Recently, there has been a tendency for consumers and businesses to be guided by the principles of environmental and social responsibility.

Technological innovations sometimes significantly affect the market situation by changing the conditions of functioning of certain industries or creating new industries. Certain technological changes lead to the disappearance of certain market segments. Some innovations determine trends in the development of certain specific markets, while others have an impact on the general economic situation. In particular, research and development in the segment of renewable energy sources, artificial intelligence technologies and machine learning affect the functioning and development of the entire global system of the world economy, respectively, the conjuncture of all markets.

Characteristic features of the modern manifestation of market conditions are its impermanence, variability and constant fluctuations; internal inconsistency (certain indicators indicate the presence of opposite trends in the development of market processes); uneven assessment of

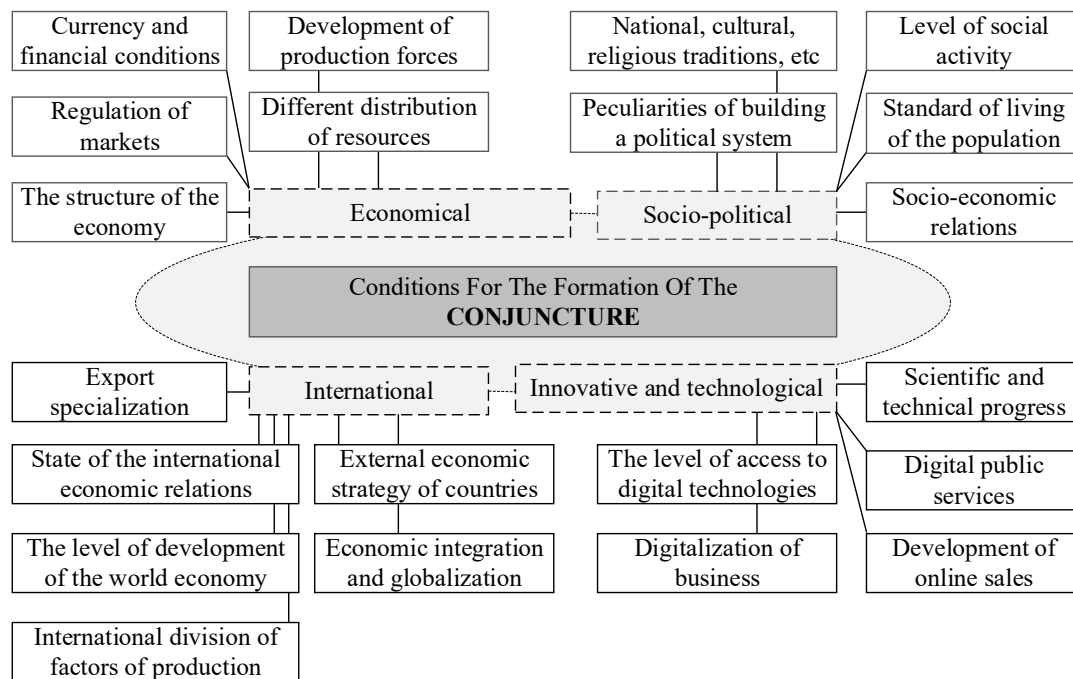


Figure 2. Conditions for the formation of commodity market conditions

Source: improved by the author based on [1; 5]

directions and rates of development of individual indicators. Despite the complexity and dialectical contradictory market conditions, it is it that provides an opportunity to make relevant management decisions that correspond to the current state of development of a particular market and predict with a high level of reliability the main trends in the development of individual markets and the world economy as a whole.

Conclusions. At the present stage, the formation of market conditions occurs under the influence of economic, socio-political, environmental, international, information and innovation factors. Each of these factors affects the overall market situation in its own way, creating a multifaceted and dynamic time situation. The current market environment is characterized by a significant number of indicators and factors of influence. The key indicators are the volume of production, the level of supply and demand, prices for goods and services, the level of inflation, exchange rates, the dynamics of investment, the development of domestic and foreign trade, etc. The processes of globalization and integration lead to increased interdependence and mutual influence of certain factors

and conditions on the formation of indicators of the market conditions of commodity markets. Changes in one country or in one sector of the economy can have a significant, sometimes little predictable, impact on other countries and sectors.

The main feature of the situation of modern commodity markets is the rate of change (update) of its main indicators. Markets are becoming more dynamic and responding to change faster than ever before. This situation requires companies and governments to be flexible and adaptive in order to respond effectively to changes and minimize risks. As a result, there is a growing need to take into account alternative scenarios for the development of market conditions when developing strategic and current development plans both at the level of individual companies and at the level of ensuring the proper functioning of the country's economy. This includes analyzing possible changes in market conditions, assessing risks and developing action plans for various development scenarios. This approach reduces uncertainty and increases resilience to external shocks, which is key to the long-term success and stability of the economy.

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