

EUROPEAN AUTOMOTIVE TNCs: ANALYSIS OF ACTIVITIES AND FACTORS OF INFLUENCE ON THEIR MARKET STRATEGIES

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Nowadays activity strategies of TNCs become the basis of their success on international markets with the growth of globalization and integration of the world economy. Understanding of the competitive components of these strategies allows companies to adapt to changing conditions and remain competitive. The authors of the article have investigated the activities of the main European automotive TNCs and have come to the conclusion that the production of auto components is an important part of activity for automotive concerns. Automotive TNCs have gone beyond their regions long time ago and now their main goal is to increase sales on the global market. In addition, the authors have considered the main factors which influence the market strategies of the world's leading car manufacturers. The market power of a buyer becomes a driving force for the strategic plan formation of the automotive TNCs due to the fact that TNCs put the convenience of the consumer in the first place not only in the context of using the product but also in its purchase. Today, mobile applications become an important tool for the development of sales channels where car dealers can send any information to a potential buyer. The authors note that the need for personal vehicles may decrease in the future. The main reason for such situation is the popularization and growing awareness of residents about the advantages of car sharing compared to owning a car and the lower cost of this service compared to a taxi. Today, well-known automotive TNCs enter the market of car sharing services. Recently, automotive concerns have become increasingly dependent on supplier companies. Therefore, stable relations with them, their innovative development, pricing policy have a huge impact on the marketing strategies of automotive TNCs. Another factor is the threat of the appearance of new competitors. Indian and Chinese TNCs enter the global automotive market by buying European companies thereby increasing competition in it. Acquisition of companies is carried out for the sake of access to technologies which top managers of Chinese and Indian companies consider to be one of the main factors of competitive advantages. The only way to maintain their presence on the market is to produce products of controlled European companies which do not have a significant market share. However, the authors of the article emphasize that competition from Chinese companies in the European market will intensify in the long run.

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