

MINISTRY OF EDUCATION AND SCIENCE OF UKRAINE
NATIONAL AVIATION UNIVERSITY
FACULTY OF ECONOMICS AND BUSINESS ADMINISTRATION
MARKETING DEPARTMENT

ADMIT TO PROTECTION
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«_____» _____ 2023

QUALIFICATION PAPER

(EXPLANATORY NOTE)

OF BACHELOR ACADEMIC DEGREE SEEKER
SPECIALTY 075 «MARKETING»
EDUCATIONAL AND PROFESSIONAL PROGRAM «MARKETING»

Topic: «Marketing research on the competitiveness in the market of beauty salons»

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NATIONAL AVIATION UNIVERSITY

Faculty of economics and business administration

Marketing Department

Specialty: 075 «Marketing»

Educational and professional program «Marketing»

APPROVED

Head of the Graduate Department

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«_____» _____ 2023

TASK

for Qualification Paper implementation

_____ Tyupysheva Veronika Yuriivna _____

(full name. of the seeker)

1. Topic of the Qualification Paper «Marketing research on the competitiveness in the market of beauty salons » approved by decree of the Rector from 30.03.2023 №433/st
2. Term of the Qualification Paper performance: from 22.05.2023 to 25.06.2023
3. Initial data of the Qualification Paper: statistical data, electronic information sources, materials of periodicals
4. Content of the explanatory note: introduction; theoretical fundamentals of marketing activity in the field of services; analysis of the market of beauty salons in Ukraine; conclusions
5. List of required illustrative material: market volumes of beauty salons in the city of Kyiv; segmentation of the market of beauty salons by price; segmentation of the market of beauty salons by age; reasons for choosing beauty salons; location of 5B STUDIO salon; organizational structure of the 5B STUDIO beauty salon; main economic indicators of the 5B STUDIO; radar of the competitive status of beauty salons; positioning of salon services based on the BCG matrix; CRM of 5B STUDIO beauty salon

6. Calendar schedule

№	Task	Deadline	Signature of the Supervisor
1.	Issuance of the task	22.05.2023	
2.	Collection and processing of statistical information	23.05.2023-24.05.2023	
3.	Study of the problem state, elaboration of sources	25.05.2023-26.05.2023	
4.	Writing the theoretical part	27.05.2023-29.05.2023	
5.	Writing an analytical part	30.05.2023-02.06.2023	
6.	Writing an introduction and conclusions	03.06.2023-04.06.2023	
7.	Making an explanatory note, visual and graphic material, preparation of a report	05.06.2023	
8.	Checking for plagiarism	06.06.2023-07.06.2023	
9.	Passing normcontrol	08.06.2023-11.06.2023	
10.	Predefence, registration of documents for defense, peer review, submission of Qualification Paper to the Department	12.06.2023-14.06.2023	

7. Date of the task issue: 22.05.2023

Supervisor of Qualification Paper _____ Viktor SIBRUK
(supervisor signature) (name)

Task accepted for performance _____ Veronika TYUPYSHEVA
(seeker signature) (name)

ANNOTATION

Explanatory note to the Qualification Paper «Marketing research on the competitiveness in the market of beauty salons» 69 pages, 16 figures, 11 tables, 36 literary sources.

MARKETING RESEARCH, COMPETITIVENESS, MARKET OF BEAUTY SALONS, ANALYSIS, MARKETING ACTIVITIES

The object of study is the marketing activities of 5B STUDIO beauty salon, and the subject is the competitiveness of the company in the market of beauty salons of Ukraine and methods of its improvement.

The purpose of the Qualification Paper is to study the current state of the market of beauty salons and the competitiveness of the 5B STUDIO beauty salon in it.

Research methods – economic-statistical, tabular and graphical techniques, system and marketing approach, methods of logical generalization and others.

The methodological basis of the study made up publications of domestic and foreign scientists and marketing experts, data from statistical sources, the Internet, and periodical specialized publications.

Significance of the Qualification Paper and conclusions lies in the application of modern methods of marketing analysis to determine the company's competitiveness on the market and to develop measures aimed at improving its competitive positions.

The results could be used to improve approaches to the management of marketing activities of enterprises in the market of beauty salons.

The scientific novelty of the obtained results lies in the application of modern marketing tools to the real conditions of the beauty salon market.

Qualification Paper materials were applied were applied in abstracts of XXIII International conference of higher education students and young scientists POLIT. Challenges of science today.

The object and subject of research has high chances for further development under the conditions of stabilization of the economy of Ukraine.

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INTRODUCTION

In current market conditions characterized tough competition and frequent changes, marketing plays an important role in the activity of any company which adjusts the relationship between the organization and the consumer.

The market of services is constantly developing, people's needs are changing, therefore it is necessary to find new ways of marketing activity. Economic changes in Ukraine will not be successful if marketing activity is not modernized, taking into account impact of negative external factors (such as war condition, Covid 19 pandemic). The necessary conditions for achieving self-sufficiency and self-financing in market conditions for modern companies are concentration on consumers, flexible adaptation to changing market conditions.

In order to provide answers to these questions, it is necessary to analyse in detail the demand characteristics, potential opportunities of sales volumes, the competitive environment, customers preferences, prerequisites for production, the availability of needed resources and qualifications of staff etc. Indeed, a lot of activities of an enterprise in many types of markets begins with marketing.

The marketing activity of the company is not only the production and distribution of the enterprise, which is primarily aimed at identifying and satisfying consumer needs. The task of profitable marketing management it's also the development of the product and labor force markets by assessing the needs of consumers, as well as implementing practical actions to meet these needs.

First of all, marketers should provide the company with reliable, verified and timely information about the current market situation, nature of demand, tastes and preferences of buyers, level of competition. Obtaining market information let the company to create competitive products for demand satisfaction and gain an advantage for future development.

The service industry is gaining special relevance in modern post-industrial society because total informatization contributes to the processes of gradual release of

the workforce from the production. The economic development of any country in the future will largely depend on the employment situation in the service industry. Modern services represent a very wide range in different areas. Acting in service markets for each participant has a lot of unique features since any market environment exerts an appropriate influence, and conditions, and applies certain mechanisms and tools to regulate the activities of its actors. The complexity of managing companies in the service industry is often characterized by a high level of differentiation on the market, a large number of small entities, a fierce level of competition, and uncertainty in the future, caused by the negative factors in the external environment, rapid changes in technologies and in preferences of consumers, the difficulty of obtaining reliable information during conducting marketing research for making reasoned management decisions.

The modern service market is a rather complex system of interaction of many different entities with each other and with a lot number of potential and existing clients. It's connected by informational, business, and financial ties, and therefore it is very important to carefully study various aspects and features of the functioning of such an environment to optimize management for achieving success. Service marketing is an effective tool for solving the complex tasks that modern markets pose to entities. Service marketing is constantly developing, supplementing its own toolkit, searching for new methods of finding and retaining customers, and increasing the competitiveness of enterprises.

One of the representative entities of the service industry is the market of beauty salons, which has developed dynamically in recent decades not only globally, but also in Ukraine. During this time, the market has become much denser, especially in big cities, the level of competition has increased significantly, the assortment has expanded and the quality has improved. Recent years related to quarantine restrictions and military actions have caused significant damage not only to society's life and the economy but also to the beauty market, so the search for the most effective methods of increasing the competitiveness of enterprises and strengthening their marketing activities is gaining particular relevance.

Tasks of the research:

- to study the theory of the analysis of factors influencing the competitiveness of service sector companies;
- to study characteristics and trends of the beauty salon market;
- to analyze the economic and marketing activities of the 5B STUDIO beauty salon;
- to study the competitiveness of the 5B STUDIO beauty salon and providing of recommendations for improving marketing.

The purpose of the Qualification Paper is to study the current state of the market of beauty salons and the competitiveness of the 5B STUDIO beauty salon in it.

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CONCLUSIONS

Marketing management is the basis of the effective functioning of all company services. Marketing is needed for consumer feedback and for maximum satisfaction of demand. The functional distribution of marketing management can be appropriate for the integration of the work of companies in the service sector.

Optimal management of marketing at companies ensures effective implementation of all processes and complex interaction with the business environment. A company should manage marketing in a way that best fits its strategy.

The development of the service sector in the Ukrainian economy increasingly depends on the implementation of modern marketing methods, without which successful commercial activity and management decision-making are practically impossible.

Management of product marketing strategies depends on the product's place on the market, the position of competitors' products, and the stage of the product's life cycle. Companies should conduct systematic marketing research in all directions, which helps to correctly select the elements of the marketing mix in accordance with the strategy and ensure the necessary level of competitiveness.

The use of marketing communications and promotions as tools to achieve competitive advantage is useful when the benefits of certain services are difficult to clearly define due to their subjective and specific nature. The quality of the staff's work can also be considered an important competitive advantage. Promotion decisions should be made taking into account the reverse reaction of customers, not only considering the availability of services, but also from the point of view of ensuring the appropriate level of service, brand image and additional services.

The choice of the method of competitive struggle depends on the influence of the elements of the marketing mix on the company's competitive position. The impact of the marketing mix on the company's competitive position can be assessed by the following parameters: compliance with customer needs and the company's capabilities;

creating a competitive advantage; a successful combination of components of the marketing mix.

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The scale of development of the beauty salon market before the Covid-19 coronavirus crisis had good dynamics, because the services of market companies satisfied not only the need to look good, but also the need for a healthy lifestyle and the creation and maintenance of social status. The Ukrainian market of beauty salons during the period of quarantine restrictions caused by the Covid-19 pandemic and then military operations, weakened significantly.

The analysis of the beauty market of Ukraine shows the segmentation based on the price criterion, depending on the quality of services and the volume of sales. There are three segments: budget, mid-price and luxury. Before the onset of the pandemic and the war, the demand for services aimed at narrow customer segments was growing on the Ukrainian beauty market, and in general, haircuts remain the most popular type of services in Kyiv, and express-format establishments are also gaining popularity. Mostly, the main customers of beauty salons are women aged 15 to 60 years, the segmentation by age is relatively even, more than half of the total number are women aged 25 to 50. The motivation factor when choosing services revealed a significant dependence on the advice of specialists, cosmetologists, salon masters and the environment (relatives, colleagues, acquaintances).

The analysis showed trends in the development of the beauty industry. The market continues to differentiate itself according to various features. Salons that want

to work in the long term try to improve the range and quality of services, work for customer loyalty and reputation. Clients increasingly began to use smartphones and applications to schedule visits and video calls with salon masters.

The 5B STUDIO beauty salon is located in the Kyiv region in a modern, densely populated residential quarter in the Sofiyivska Borshchagivka district. 5B STUDIO has two cosmetology rooms, which are fully equipped with the necessary tools and materials for the necessary procedures. The staff of 5B STUDIO consists of seventeen people, the main organizational and commercial functions are headed by the director of the salon, the tasks of the administrators are the coordination of the work of all the masters of the salon.

5B STUDIO beauty salon provides an up-to-date range of services: hair care, nail care, make-up, massage, stylist services, haircuts, cosmetology, special care (mainly for the skin), depilation, hair coloring. services

The economic indicators of 5B STUDIO indicate a slight decrease in the efficiency of the salon, which was a consequence of the deterioration of the economic situation in the country due to the action of negative factors caused first by the Covid-19 pandemic, and then by military actions. It is positive that the partial return of beauty salon clients to the capital made it possible to obtain acceptable results and hope for improved economic results in the near future.

Basically, the marketing activities of 5B STUDIO are focused on such components of the marketing mix as product (service), communication and price policies. Responsibilities for marketing activities are distributed between the director and administrators of the salon, the tasks of technical support of Instagram and Facebook social networks, as well as their information content, are outsourced.

The development of the salon's product (service) policy is aimed at finding the most relevant and in-demand types of services, planning, developing and implementing methods and procedures for maximum satisfaction of consumer demand. The salon's pricing policy is based on the strategy of average and below average prices in order to maintain a competitive position in conditions of a high level of competition. 5B

STUDIO's marketing communications consists mainly of online promotion in social networks, the company's website is under development.

We recommend launching own website of company and planning its promotion using SEO tools, as well as increasing traffic in the form of posts and videos on the Instagram social network.

5B STUDIO works in conditions of intense competition. The main competitor of the salon 5B STUDIO is the nearby BEAUTY HUB. From the conducted analysis of competitiveness between salons, it can be concluded that both competitors are approximately at the same competitive level. According to the main factors of competitiveness, both salons provide similar services with the same level of quality. The price level in salons of competitors is approximately at the same level. In the salon 5B STUDIO, the flexibility of the schedule prevails a little better. BEAUTY HUB salon has a better range of services and is ahead in marketing communications.

The analysis of strengths and weaknesses (SWOT) shows that despite the potential threats of an increase and continuation of military operations, a possible decline of the economy of Ukraine, opportunities for development remain promising, given that the level of consumption of services has not decreased significantly and continues to recover. Kyivans and residents of the capital are returning home, so we will assume that the salon should strengthen actions aimed at obtaining competitive advantages.

In our opinion, the implementation of a loyalty program using a CRM system and a mobile application will give the necessary impetus to the development of 5B STUDIO, increase the level of customer loyalty and their number, and strengthen the salon's competitive position in the Kyiv region beauty market.

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