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## **THE ESSENCE OF COMPETITION AND COMPETITIVE ABILITY OF THE ENTERPRISE**

In the article the essence and the functions of competition are defined, the levels of competitive ability are considered, the approaches to definition “competitive ability of enterprise” are explored.

Today, economic activity is based on market relations. The central concept that expresses the essence of the market economy is competition. Problems of competition and competitiveness are not studied in Ukraine up to the 90s of XX century due to lack of need, but now in terms of the current economic system and fierce competition this issue becomes very important. Consideration of the nature of enterprise competitiveness is important both for the economy as a whole and for individual producers, because it is the guarantee of a high and stable income, and the viability of the company, its economic security and sustainable development. Realizing this, domestic producers set themselves a goal: to meet the needs that exist in the market, to maximize profits and increase sales, expanding the share of domestic and international markets, providing the required level of quality and prices of

manufactured products, introduction of new technological processes and equipment upgrading.

Research of concept “enterprise competitiveness” foresees definition of essence of the “competitive” as a category, as they are closely associated: competitiveness can exist only if it is competitive between producers of certain product or service.

Competitive make manufacturers to apply innovational processes and technologies in industry to reduce production expenses. In that way they increase products’ quality and attract attention of new customers and so increase their profits. Competitiveness appears only in terms of competitive, in its different levels that should be considered in its management. The research proves that competitiveness of enterprise is a complicate multifold concept that means competition, battle for best results achieving, competitive advantage receiving by effective use of all available recourses, producing and realization of competitive products and profit-earning from conduction of effective economical activity