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**TOPIC «UNVEILING COMPETITIVE ADVANTAGES:
A COMPREHENSIVE ANALYSIS THROUGH MARKET MAPPING»**

***Abstract:** this comprehensive analysis delves into the intricate dynamics of the Fast-Moving Consumer Goods (FMCG) industry, employing a multifaceted approach to assess the competitive landscape. Utilizing both 2-factor and 7-factor competition models, the study scrutinizes the market positions and growth trajectories of 20 prominent companies over a specified period. In the initial exploration, the 2-factor model establishes FMX and WMT as formidable contenders, while ABT emerges as an outsider facing challenges. A subsequent shift in focus to the 7-factor model reveals nuanced reevaluations, positioning WMT as the industry leader, FMX as a strong contender, and ABT with a significantly elevated ranking. Additional entities, namely MDLZ, CHSCL, WKC, and PPA, are identified as outsiders in this extended model. It is crucial to note that the 'outsider' designation contextualizes their position relative to industry leaders but does not diminish their substantial market value. This in-depth examination contributes to a nuanced understanding of competitive forces within the FMCG sector, offering valuable insights for strategic decision-making.*

Keywords: competitive market, FMCG industry, leaders, outsiders, analysis.

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РАСКРЫТИЕ КОНКУРЕНТНЫХ ПРЕИМУЩЕСТВ В РАМКАХ КОМПЛЕКСНОГО АНАЛИЗА НА БАЗЕ ПОСТРОЕНИЯ КОНКУРЕНТНОЙ КАРТЫ РЫНКА

Аннотация: в статье представлен комплексный анализ динамики развития отрасли потребительских товаров на базе многогранного подхода для оценки конкурентной среды. В исследовании используется как 2-факторный, так и 7-факторный подход в оценке конкурентной среды, где анализируются рыночные позиции и траектории роста 20 компаний технологического сектора за анализируемый период.

Ключевые слова: конкурентный рынок, отрасль, лидеры, аутсайдеры.

1. Introduction.

In an era characterized by global interconnectedness and relentless market dynamics, the competition between companies has become a defining feature of the contemporary business landscape. Nowhere is this more palpable than in the Fast-Moving Consumer Goods (FMCG) industry, where companies vie for market supremacy amidst shifting consumer preferences, technological disruptions, and evolving economic landscapes. This analysis embarks on a comprehensive exploration of the competitive dynamics within the FMCG sector, aiming to decipher the strategic intricacies that companies navigate to secure their foothold in the global marketplace. Against the backdrop of an increasingly interconnected world, where geographic boundaries are blurred, understanding the nuances of competition is paramount for companies striving to not only survive but thrive in this fiercely contested arena. Through a dual-model approach and a meticulous examination of revenue, growth rates, and multifactorial competition models, this study endeavors to illuminate the multifaceted nature of competition in the FMCG industry, offering valuable insights for companies seeking to navigate the complexities of global market competition.

2. Theoretical background.

In the field of strategic management, Clayton M. Christensen, in his seminal 2001 work, delved into the concept of competitive advantage and the common tendency of strategists to idolize successful companies. public and simulate their strategies. Christensen's argument offers insight into the nature of competitive advantage and its implications for strategic decision making. He argues that competitive advantage is often considered an elusive and coveted quality in the business world. It became a source of inspiration, like idolatry, compelling strategists to imitate the strategies used by the most successful companies of their time. As a result, he challenges this conventional wisdom and proposes the idea that blindly copying the strategies of successful companies may not guarantee sustainable success.

Table 1

Concept of competitive advantages [1]

Author	Concept of competitive advantage
Porter (1980) [3]	At the core of a firm's performance within competitive markets lies the concept of competitive advantage. This advantage manifests through low costs, differentiation advantages, or the successful implementation of a focus strategy. Fundamentally, competitive advantage is derived from the value a firm can generate for its buyers, surpassing the costs associated with its creation
Saloner, Shepard, Podolny (2001) [4]	The majority of competitive advantages imply either the ability of a firm to deliver a service or product that holds greater value for its customers compared to those offered by competitors or the capacity to produce its service or product at a lower cost than its industry counterparts
Wang (2014) [12]	Acquisition of competitive advantage occurs when an organization cultivates or procures a set of attributes or executes strategic actions that enable it to surpass the performance of its competitors. The exploration and formulation of theories to elucidate the concept of competitive advantage have been a focal point within the management community for nearly five decades
Ghemawat (1986) [5]	The sustainability of a competitive advantage increases in tandem with the augmentation of sources providing cost or differentiation advantages.
Barney (1997) [6]	A competitive advantage is deemed sustainable when the underlying resources exhibit qualities of being nonimitable (i.e., not easily duplicated by competitors), nonsubstitutable (i.e., other resources cannot fulfill the same function), and nontransferable (i.e., not readily acquirable in the marketplace)
Hunt (2000) [7]	Contemporary business strategy asserts that a firm's strategic imperative should center on achieving sustained, superior financial performance. This objective is believed to be attainable through the cultivation of a sustainable competitive advantage in the marketplace.
Kay (1993) [8]	The concept of competitive advantage, though seemingly straightforward, involves the evaluation of a company's capabilities and market position in

	relation to its competitors. These advantages are transient and hold value only to the extent that the market recognizes and attributes worth to them
Powell (2001) [9]	The concept of competitive advantage has led to a significant body of scholarly work encompassing both theoretical and empirical dimensions. By all indications, firms actively strive to identify, create, and leverage competitive advantages. Moreover, competitive advantage stands as a universally accepted and integral concept within strategic management courses and textbooks
Urbancová (2013) [10]	The innovative endeavors of organizations wield a profound impact on competitiveness, rooted in skills and abilities that are difficult to replicate. Enhancing competitiveness through innovation entails the production of products of superior quality at lower costs when compared to those manufactured by competitors

The competitiveness of a country is gauged by its ability, under conditions of freedom and equity, to produce products or services that meet the demands of global markets while simultaneously preserving and augmenting the real income of its citizens over the long term [11].

Let's delve deeper into the key components that underlie the assessment of a nation's competitiveness. First of all, about economic productivity, a competitive nation actively invests in research, development, and innovation to stay at the forefront of technological advancements not only driving economic growth but also enhancing the quality and efficiency of its products and services. Moreover, the skill level and adaptability of the workforce play a crucial role in a country's competitiveness. A well-educated and skilled labor force is better equipped to meet the demands of evolving industries and global markets. Furthermore, open and fair trade policies contribute significantly to a country's competitiveness. Encouraging international trade fosters economic growth, provides access to diverse markets, and facilitates the exchange of goods and services on a global scale.

Companies that want to compete in a volatile market need a long-term vision of education, research and global collaboration. A commitment to ongoing education and research ensures a continuous supply of highly skilled talent and fosters a culture of innovation. This is essential to stay ahead in industries that rely on knowledge and expertise. In addition, a competitive company actively participates in international

cooperation, forming strategic alliances and partnerships that not only expand market access but also promote mutual understanding and common goal on a global scale.

3. FMCG companies analysis through competitive market mapping in us market.

The Fast-Moving Consumer Goods (FMCG) sector is characterized by its diversity and constitutes a substantial segment of industries and services within the US market. Both domestic and international companies exhibit ongoing efforts to enhance product quality and secure significant market shares within their respective industries. Consequently, the competitive landscape is marked by high levels of competition, necessitating a continuous evolution by companies to enhance both their assets and competitive positioning.

This article focuses on the identification and analysis of the top 20 companies within the FMCG sector, with the selection criteria based on the revenue they generated in the year 2022.

Table 2

The revenue of top 20 companies in FMCG industry in the period 2020–2022

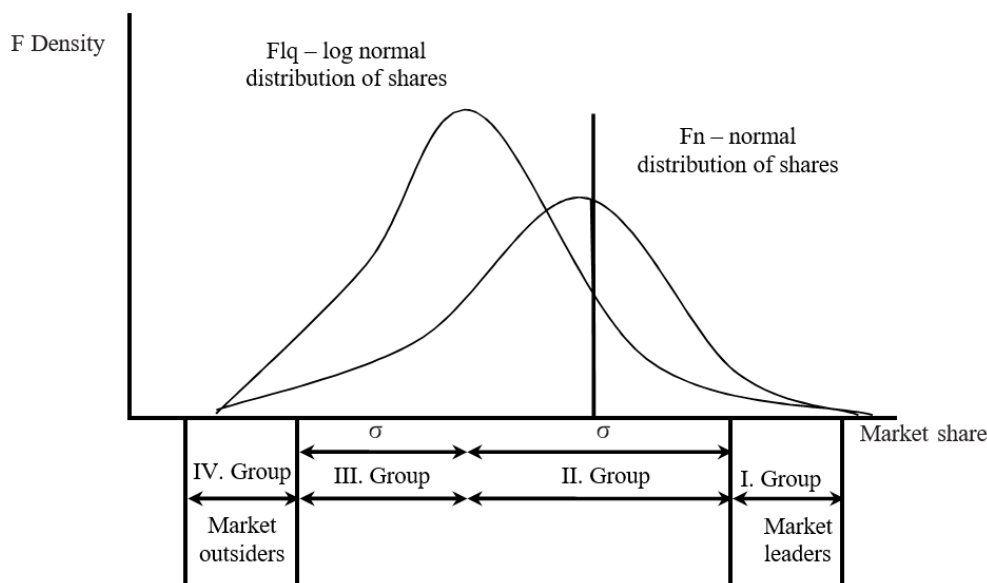
		<i>Revenue from Business Activities – Total (USD, Millions)</i>		
<i>Identifier</i>		<i>2022</i>	<i>2021</i>	<i>2020</i>
1	FMX	673.202	556.261	492.966
2	WMT	611.289	572.754	559.151
3	TGT	109.120	106.005	93.561
4	ADM	101.556	85.249	64.355
5	ET_pe	89.876	67.417	38.954
6	PEP	86.392	79.474	70.372
7	PG	82.006	80.187	76.118
8	ACI	77.650	71.887	69.690
9	SYN	76.325	68.636	51.298
10	UL	60.073	52.444	50.724
11	WKC	59.043	31.337	20.358
12	BUD	57.786	54.304	46.881
13	PPA	57.342	42.078	23.290
14	TSN	52.881	53.282	47.049
15	NVS	51.828	52.877	49.898
16	NKE	51.217	46.710	44.538
17	CHSCL	47.792	38.448	28.406
18	ABT	43.653	43.075	34.608

19	KO	43.004	38.655	33.014
20	MDLZ	31.496	28.720	26.581
	Total	2.463.530	2.169.800	1.921.813

(compiled by the author based on data of Refinitive)

The competitive market map plays a pivotal role in assessing competitiveness by categorizing enterprises or countries based on their market shares and positions. Consequently, within the market, we can identify:

- Market leaders: entities experiencing significant prosperity and dominance in the market;
- Market outsiders: entities characterized by a weak and less influential market position.



Pic. 1. Distribution of the market shares of competitors in terms of their production [11]

Where:

- σ_1 : the interval of weak
- σ_2 : the interval of strong competitive positions.
- Group: The market leaders [$P_{pr} + \sigma_2, P_{max}$]
- Group: Having a strong competitive position [$P_{pr}, P_{pr} + \sigma_2$]
- Group: Having a weak competitive position [$P_{pr} - \sigma_1, P_{pr}$]
- Group: The market outsiders [$P_{min}, P_{pr} - \sigma_1$]

Where:

P : Distribution of the market shares

P_{pr} : Average arithmetic significance of the shares of all shares

$$P_{pr} = 1/n \quad (1)$$

P_{min} : Minimal importance of the market shares

$$P_{min} = \min\{P_i\}, i = 1, \dots, n \quad (2)$$

P_{max} : maximal importance of the market shares

$$P_{max} = \max\{P_i\}, i = 1, \dots, n \quad (3)$$

σ_1 (σ_2): Average quadratic deviations of the market shares of enterprises, while

$$P_i \geq P_{pr}$$

In accordance with the financial data presented in table 2, a meticulous analysis of the revenue figures of the top 20 companies over a span of three years is undertaken to ascertain and subsequently calculate their respective market shares. This comprehensive evaluation aims to discern the comparative standing of each company within the market landscape, allowing for the identification of trends, fluctuations, and potential shifts in market dynamics over the specified timeframe. Therefore, the calculated market shares serve as quantitative indicators of the proportionate influence wielded by each company in the broader market context. This analytical approach provides valuable insights into the relative performance and competitive positioning of the selected companies, facilitating a nuanced understanding of their market trajectories and strategic implications over the specified period.

Table 3

The market share of each companies in period from 2020–2022

	<i>Identifier</i>	<i>Market share</i>			<i>Growth rate</i>
		<i>2022</i>	<i>2021</i>	<i>2021</i>	
1	FMX	0,273	0,256	0,257	0,066
2	WMT	0,248	0,264	0,291	(0,06)
3	TGT	0,044	0,049	0,049	(0,093)
4	ADM	0,041	0,039	0,033	0,049
5	ET_pe	0,036	0,031	0,020	0,174
6	PEP	0,035	0,037	0,037	(0,043)
7	PG	0,033	0,037	0,040	(0,099)

8	ACI	0,032	0,033	0,036	(0,049)
9	SYU	0,031	0,032	0,027	(0,021)
10	UL	0,024	0,024	0,026	0,009
11	WKC	0,024	0,014	0,011	0,659
12	BUD	0,023	0,025	0,024	(0,063)
13	PPA	0,023	0,019	0,012	0,2
14	TSN	0,021	0,025	0,024	(0,126)
15	NVS	0,021	0,024	0,026	(0,137)
16	NKE	0,021	0,022	0,023	(0,034)
17	CHSCL	0,019	0,018	0,015	0,095
18	ABT	0,018	0,020	0,018	(0,107)
19	KO	0,017	0,018	0,017	(0,02)
20	MDLZ	0,013	0,013	0,014	(0,034)

(compiled by the author).

The tabulated market share data of the top 20 companies within the same industry offers a comprehensive snapshot of the competitive landscape over a specified period. This table serves as a valuable analytical tool, shedding light on the relative positioning and influence of each company within the industry.

Based on the preliminary data presented in tables 2 and 3, a careful analysis has been carried out to derive and estimate the important indicators that will form the foundation for the subsequent comprehensive map of competitive markets. These indicators, which are carefully calculated and analyzed, are important in clarifying the complex market environment and particularly useful in capturing the subtle interactions of market forces and the relative strengths and weaknesses of competitive individual firms.

Table 4

The important indicators for competitive market map

<i>By market share</i>	
Market leader	0,273
Market outsider	0,013
Average market share	0,050
Number of weak companies	13
Number of strong companies	7
Average market share for group of weak companies	0,022

Average market share for group of strong companies	0,102
<i>By growth rate</i>	
Market leader	0,659
Market outsider	-0,137
Average growth rate of market share	0,018
Number of weak companies	14
Number of strong companies	6
Average market share for group of weak companies	-0,063
Average market share for group of strong companies	0,207

(compiled by the author).

In light of the aforementioned indicators derived from the initial datasets presented in Tables 1 and 2, an exhaustive and methodical approach is undertaken to construct a comprehensive competitive market map. The ensuing competitive market map aims to provide stakeholders with a refined understanding of the intricate relationships and competitive forces at play. The collaborative synthesis of these indicators culminates in a comprehensive portrayal of the competitive market, offering a strategic vantage point for stakeholders to navigate the complexities of the industry with precision and foresight.

Table 5

Competitive market map

Classification of companies by the rate of growth of market share	Classification of companies by their market share in reporting period			
	<i>Leaders max</i> (0.102;0.273]	<i>Strong competitive position</i> (0.050;0.102]	<i>Weak competitive position</i> (0.022;0.050]	<i>Outsiders</i> (0.013; 0,022]
<i>Rapid improvement in competitive position</i> (0.207; 0.659]			WKC	
<i>Improving the competitive position</i> (0.018; 0.207]	FMX		ADM ET_pe PPA	CHSCL
<i>Deterioration in competitive position</i> (-0.063; 0.018]	WMT		PEP ACI SYY UL	TSN NVS NKE KO MDLZ

<i>Rapid deterioration in competitive position</i> (-0.137; -0.063]			TGT PG BUD	ABT
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(compiled by the author).

In elucidating the degree of competition and the relative positioning of companies within the specified industry, an extensive analytical framework will be used. In parallel with the original 2-factor competitive model, a more comprehensive 7-factor competitive model is introduced to enhance the depth and level of detail of competitive analysis. This expanded model aims to provide a nuanced view of the competitive landscape, considering the many factors that contribute to each company's overall competitive position. Factors here include: Market capitalization, revenue, gross profit, EBIT, net profit, ROA and ROE.

Table 6

The initial data of 7-factors competitive market map in 2022

<i>RIC</i>	<i>Market Cap (billion USD)</i>	<i>ROA</i>	<i>ROE</i>	<i>Revenue (billion USD)</i>	<i>Gross Profit</i>	<i>EBITDA</i>	<i>Net Income</i>
FMX	27,95	0,04	0,10	673,20	251,67	49,14	34,74
WMT	382,37	0,04	0,10	611,29	143,75	36,60	13,67
PG	359,15	0,12	0,31	82,01	39,41	18,35	14,74
PEP	248,89	0,10	0,52	86,39	46,05	10,71	8,98
KO	275,08	0,10	0,37	43,00	25,00	11,69	9,57
UL	127,80	0,11	0,38	60,07	24,17	10,34	8,27
NKE	183,07	0,14	0,36	51,22	22,29	6,20	5,07
ABT	181,15	0,09	0,19	43,65	24,58	8,31	6,93
NVS	194,50	0,06	0,12	51,83	36,74	8,37	6,96
SYN	38,74	0,08	0,87	76,33	13,95	2,29	1,77
ADM	51,00	0,12	0,18	101,56	7,57	5,23	4,37
BUD	119,09	0,04	0,09	57,79	31,48	9,53	7,60
ACI	11,09	0,06	0,91	77,65	22,19	1,94	1,51
TGT	68,60	0,05	0,25	109,12	26,89	3,42	2,78
ET_pe	36,66	0,06	0,14	89,88	13,42	6,07	5,87
TSN	22,27	0,09	0,16	53,28	6,69	4,15	3,25
MDLZ	91,01	0,04	0,10	31,50	11,36	3,59	2,73
CHSCL	-	0,09	0,18	47,79	2,13	1,81	1,68

WKC	1,69	0,01	0,06	59,04	1,09	0,15	0,12
PPA	1,68	-	-	57,34	-	-	-

(compiled by the author).

And after calculating the indexes to arrange the order of companies in 2022, the top position is WMT and last is PPA because there is no specific data, above it is WKC

Table 7

The rank of 20 companies in 2022

<i>RIC</i>	<i>Rank</i>
WMT	1
FMX	2
PG	3
PEP	4
KO	5
UL	6
NKE	7
ABT	8
NVS	9
SYN	10
ADM	11
BUD	12
ACI	13
TGT	14
ET_pe	15
TSN	16
MDLZ	17
CHSCL	18
WKC	19
PPA	20

(compiled by the author).

4. Discussion.

Initiating our analysis, we direct attention towards the 2-factor competitive model delineated in Table 5. Despite not currently occupying the apex in growth, FMX emerges as a noteworthy contender for the leadership position within the FMCG industry. This assertion is substantiated by its high position growth rate within the

industry coupled with the largest market share, indicative of its potential to ascend as a frontrunner. In close pursuit, WMT exhibits a slightly more measured growth rate but nevertheless remains a formidable competitor vying for the preeminent position within the industry, thereby establishing a competitive dynamic with FMX.

Conversely, ABT finds itself positioned as an outsider within this competitive landscape, manifesting both a precipitous decline in its competitive position and a sluggish development pace. Notably located in the last box of the table, ABT faces a dual challenge as its competitive standing rapidly diminishes while its developmental momentum languishes. This characterization positions ABT as a notable outlier, drawing attention to the challenges it confronts in maintaining a competitive foothold within the dynamic FMCG industry. Subsequent analyses will further delve into the multifactorial dimensions of competition, including the comprehensive 7-factor model, to provide a more nuanced understanding of the intricate competitive dynamics within this industry.

Upon scrutiny of the 7-factor model as delineated in Table 7, a notable shift in the competitive landscape becomes apparent. In this nuanced evaluation, WMT emerges as the foremost leader, securing the top position, while FMX, previously positioned as a strong contender, assumes the second rank. This realignment alters the hierarchical structure presented in Table 5, reflecting a more comprehensive understanding of the competitive dynamics within the FMCG industry.

Contrary to its status as an outsider in the preceding 2-factor model, ABT experiences a significant repositioning in the 7-factor model, securing the 8th rank-indicative of a relatively elevated standing. It is noteworthy that the leading positions held by companies in Table 5 do not necessarily correlate with their rankings in the 7-factor model, signifying the multifaceted nature of competitiveness in the industry. Moreover, in this expanded model, MDLZ, CHSCL, WKC, and PPA emerge as the four entities categorized as outsiders. It is imperative to elucidate that the designation of 'outsider' is context-specific, referring exclusively to their position relative to the leading companies within this industry. Importantly, these entities, despite being categorized as outsiders, command considerable stature and market value, attesting to their well-developed status and substantive contributions within the broader market.

This nuanced interpretation underscores the significance of a multifactorial approach in gauging competitiveness, as the 7-factor model affords a more intricate and holistic perspective on the strengths, weaknesses, and strategic positions of companies within the dynamic landscape of the FMCG industry. Subsequent analyses will delve deeper into the implications of these rankings, unraveling the strategic implications and potential avenues for further development within this competitive milieu.

5. Conclusion.

In conclusion, this comprehensive study provided an overview of the Fast Moving Consumer Goods (FMCG) industry, revealing the complex competitive forces shaping the strategy. Juxtaposing 2-factor and 7-factor competitive models provided a nuanced understanding of the market positioning and growth strategies of the top 20 companies, and provided strategic insights for stakeholders the role The dynamic changes in ranking and the occurrence of outliers highlight the strong competitive dynamics in the FMCG sector. As the industry continues to evolve, this research lays the foundation for informed decision-making, guiding companies towards transformation in line with market demands for water. To navigate the competitive challenges ahead, the insights gained from this study serve as a compass, empowering industry players to develop a strategy for continued success in the ever-evolving FMCG landscape.

APPENDIX

FMX: Fomento Economico Mexicano

WMT: Walmart Inc

PG: Procter & Gamble Company

PEP: PepsiCo Inc

KO: Coca-Cola Co

UL: Unilever PLC ADR

NKE: Nike Inc

ABT: Abbott Laboratories

NVS: Novartis AG ADR

SYN: Sysco Corporation

ADM: Archer-Daniels-Midland Company

BUD: Anheuser Busch Inbev NV ADR

ACI: Albertsons Companies

TGT: Target Corporation

ET_pe: Energy Transfer Operating LP Pref Series E

TSN: Tyson Foods Inc

MDLZ: Mondelez International Inc

CHSCL: CHS Inc CL Pref

WKC: World Fuel Services Corporation

PPA: Invesco Aerospace & Defense ETF

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