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THE IMPACT OF RETAIL ON THE FINANCIAL RESULTS OF INDUSTRIAL ENTERPRISES

The processes of profitability formation due to the optimization of product sales channels, which are based on sales in retail chains and are aimed at increasing sales volumes and expanding product markets, have been studied. The expediency and importance of profitability analysis in the context of rapid changes in consumer preferences and product markets, which allows to ensure effective pricing, expansion of the product range, and form a strategy for innovative development, has been substantiated. It is proved that in order to ensure the profitable activity of enterprises, it is advisable to analyze the costs of innovative development, marketing, logistics; carry out effective inventory management, costs to maintain the brand's position in retail, pre-sales and after-sales service, control the rhythm of activities. The need for analysis of profitability and costs in retail of industrial enterprises, strategic cost management to ensure their competitiveness, which allows making effective management decisions aimed at increasing financial results, has been determined. It has been established that control over income and expenses in retail of industrial enterprises create conditions for optimization of financial results, their innovative development. It is proposed to take into account the calculation of profitability and return on investment in retail of industrial enterprises to determine the impact of retail on financial results. Examples of a successful retail strategy at industrial enterprises are given. Proposals have been made for an integrated approach to determining the impact of retail on financial results, which includes loyalty programs, effective merchandising, adaptation of products to consumer needs and the use of innovative technologies and modernization of production, which will provide competitive advantages in domestic and foreign markets.

Keywords. *Retail, profitability, costs, profitability, payback, investments, competitiveness, development, financial results, strategy, tools.*

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ВПЛИВ РОЗДРІБНОЇ ТОРГІВЛІ НА ФІНАНСОВІ РЕЗУЛЬТАТИ ПРОМИСЛОВИХ ПІДПРИЄМСТВ

Досліджено процеси формування прибутковості за рахунок оптимізації каналів збуту продукції, що базуються на продажах у торговельних мережах та спрямовані на збільшення обсягів продажів та розширення ринків збуту продукції. Обґрунтовано доцільність та важливість аналізу прибутковості в умовах швидких змін уподобань споживачів та ринків продукції, що дозволяє забезпечити ефективне ціноутворення, розширення асортименту продукції та сформувати стратегію інноваційного розвитку. Доведено, що для забезпечення прибуткової діяльності підприємств доцільно аналізувати витрати на інноваційний розвиток, маркетинг, логістику; здійснювати ефективне управління запасами, витратами на підтримку позицій бренду в роздрібній торгівлі, передпродажне та післяпродажне обслуговування, контролювати ритмічність діяльності. Визначено необхідність аналізу прибутковості та витрат у роздрібній торгівлі промислових підприємств, стратегічного управління витратами для

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забезпечення їх конкурентоспроможності, що дозволяє приймати ефективні управлінські рішення, спрямовані на підвищення фінансових результатів. Встановлено, що контроль над доходами та витратами в роздрібній торгівлі промислових підприємств створює умови для оптимізації фінансових результатів, їх інноваційного розвитку. Запропоновано враховувати розрахунок прибутковості та рентабельності інвестицій у роздрібну торгівлю промислових підприємств для визначення впливу роздрібної торгівлі на фінансові результати. Наведено приклади успішної стратегії роздрібної торгівлі на промислових підприємствах. Запропоновано комплексний підхід до визначення впливу роздрібної торгівлі на фінансові результати, який включає програми лояльності, ефективний мерчандайзинг, адаптацію продукції до потреб споживачів та використання інноваційних технологій і модернізацію виробництва, що забезпечить конкурентні переваги на внутрішньому та зовнішньому ринках.

Ключові слова: *роздрібна торгівля, прибутковість, витрати, рентабельність, окупність, інвестиції, конкурентоспроможність, розвиток, фінансові результати, стратегія, інструменти.*

Analysis of recent research and publications. Analysis of profitability and costs in retail is critically important for assessing the financial results of food industry enterprises, since these factors determine their competitiveness, innovative development and sustainability in the market. The profitability, role and importance of retail for industrial enterprises were studied by domestic scientists: Cherep A. V., Dashko I. M., Ogrenich Y. O., Cherep O. G., Gelman V. M. [1], Kelman V. D. [2], Kucher L. Iu., Rusyn-Hrynyk R. R., Parasiuk O.V. [3], Viktoriia Lisitsa [4], Naumova T., Kyrylieva L., & Lemeshko Y. [5], Oliynyk T., Ivanova M. [6], Pavlova V. A. [7], Cherep O.G., Kotseruba A.V. [8, 9], Shapka I. [10].

Ukrainian researchers focus on the specifics of the development of the retail sector in Ukraine, in particular on the challenges associated with the limited resources of food industry enterprises, the uneven development of trade infrastructure and the low level of integration of digital technologies. The scientific papers also consider the problems of building partnerships between manufacturers and retailers, optimizing the assortment policy, as well as increasing competitiveness in the conditions of high market competition. However, the problems of determining the impact of retail on the financial results of industrial enterprises remain unresolved.

Results. The formation of profitability through sales in retail chains is determined by the choice of optimal sales channels that provide the highest sales volumes and coverage of the target audience. For example, Roshen PrJSC actively sells its products in supermarkets and its own stores. This allows it not only to control markups on its goods, but also to provide a stable income by adapting its offerings to the needs of consumers across channels. Thus, thanks to an extensive sales network, Roshen PrJSC has the opportunity to offer its customers a wide range of products, which has a positive effect on the total revenue.

The importance of profitability analysis also lies in the ability to quickly respond to changes in the market. Companies that regularly monitor their sales across channels can identify which ones are the most profitable and focus their efforts on developing them. This allows you to optimize sales strategies, ensure innovative development and achieve high financial results of industrial enterprises. For example, Roshen PrJSC may find that certain types of products sell better in supermarkets, while others are popular in its own stores, allowing the company to manage assortment and prices more efficiently.

However, to maintain these revenues, it is also important to take into account the costs that arise in the sales process. Logistics and marketing costs in retail include the cost of delivering products to retail outlets, displaying goods, conducting promotions, and advertising. These costs are essential for maintaining a brand's position in retail, as they affect consumer perception of products and, accordingly, sales volumes. For example, the company PrJSC "Myronivskyi Hliboproduct" (PrJSC "MHP") actively optimizes its logistics costs, which allows it to quickly deliver fresh products to stores, ensuring high quality products and minimizing losses. This strategic cost management is a key factor in ensuring MHP's competitiveness in the market.

Thanks to the optimization of logistics processes, MHP PrJSC is able to respond faster to changes in demand, which gives it an advantage over competitors. Reduced logistics costs and efficient inventory management help reduce product storage costs and increase profitability. This, in turn, allows the company to invest the saved funds in the development of marketing campaigns, which increases brand awareness and attracts new consumers.

Thus, the analysis of profitability and costs in retail allows food industry enterprises to make informed management decisions aimed at improving financial results. Effective monitoring of income and expenses helps not only to maintain the stability of the business, but also creates conditions for its further development. Systematic cost calculation and profitability optimization are the key to the success of enterprises in a complex and competitive market environment.

The calculation of profitability and return on investment in retail is an important element of financial analysis for food industry enterprises, as these indicators allow you to assess the effectiveness of their retail strategy. Return on sales, defined as the ratio of profit to sales, is a key indicator that allows you to understand how successfully a company sells its goods in retail. This indicator allows enterprises not only to assess their financial results, but also to understand how consumer needs and the competitive situation in the market are changing. For example, Nemiroff LLC is actively analyzing the profitability of its products in various retail channels, such as supermarkets, specialty stores, and online commerce. This enables it to discover which channels provide the highest revenue and which strategies can be optimized to improve results. Thanks to this approach, Nemiroff LLC can adapt its product positioning strategy, focusing on those market segments that demonstrate the greatest profitability.

The return on investment (ROI) in retail network expansion and marketing activities is also a critical metric for companies in the food industry. ROI reflects how much profit a company earns for each hryvnia invested in retail channels. This indicator allows businesses to analyze the effectiveness of their costs and adjust strategies to achieve maximum financial results. For example, AVK LLC conducts careful ROI calculations for its advertising campaigns and seasonal promotions in supermarkets. This allows it to assess which measures provide the highest payback and profit. Based on the data obtained, AVK LLC can adjust its marketing strategies, focusing resources on the most effective promotions. This allows the company to remain flexible in its approaches and respond quickly to changes in consumer behavior, which in turn has a positive effect on its profitability.

The return on investment in new sales formats, such as online trading, becomes especially relevant in today's market. With the growing popularity of online shopping, companies are being forced to adapt their strategies to engage consumers in the digital environment. For example, Coca-Cola invests in online sales through partners such as Glovo, which allows it to reach more consumers and increase sales. This strategy not only helps Coca-Cola adapt to changes in consumer behavior, but also allows the company to diversify its distribution channels by reducing its reliance on traditional retail chains. Investing in online commerce, given the growing demand for shipping goods, is becoming critical to maintaining a company's competitiveness.

In addition, the importance of ROI and ROI calculations goes beyond traditional retail channels. Companies can use these metrics to analyze new opportunities, such as opening franchises, creating their own online stores, or implementing innovative supply chain solutions. For example, McDonald's tracks its ROI on new formats like McDelivery, allowing it to assess the impact of this channel on overall sales and customer satisfaction.

Analysis of profitability and return on investment in retail allows food industry enterprises to make informed decisions on the allocation of resources and the formation of strategies. Efficiently calculating these metrics helps companies determine which investments are delivering the greatest results and which ones need to be adjusted or revised. In today's environment, when the market is changing at a high speed, it is important to be able to respond flexibly to new challenges and opportunities, which is ensured by constant monitoring of profitability and return on investment.

Thus, regular analysis of the profitability and return on investment in retail not only maintains the stability of the business, but also creates conditions for its further development. This allows companies to be proactive in their strategies while maintaining competitiveness and the ability to adapt to new market conditions. Constant monitoring and improvement of retail strategies, based on profitability and payback data, provide food industry enterprises with the opportunity to reach new heights in their development.

Examples of successful retail strategies in the food industry demonstrate how companies can effectively use a variety of approaches to achieve financial goals. One of the key elements is the design and implementation of loyalty programs that aim to increase repeat purchases. These programs may include discounts, bonuses, and promotions for customers that incentivize them to return. For example, Nestle-Ukraine LLC actively implements loyalty programs in large retail chains, offering its regular customers discounts on products and exclusive promotions. These programs not only increase consumer satisfaction, but also stimulate their repeat purchases, which as a result has a positive effect on the company's financial results.

In addition, increasing brand awareness is an important component of a successful retail strategy. This can be achieved through effective merchandising and product placement on the best shelves in stores. Cooperation with retailers in this area can significantly improve brand visibility and attract the attention of consumers. For example, JSC Rud uses active merchandising for its ice creams, which are laid out in specially designed refrigerators with the brand logo. This not only attracts the attention of customers in supermarkets, but also creates associations with the quality and freshness of products. Proper product placement can significantly influence buyers' purchasing decisions, increasing the likelihood of purchasing the product.

Creating exclusive product lines for retail partners is another successful approach in retail, which can significantly impact the financial results of enterprises. Companies have the opportunity to adapt their products to the needs of specific networks or consumer groups, which allows them to attract new customers. For example, Philip Morris Ukraine develops special promotional offers and limited editions of its products for large retailers. This not only drives sales but also increases consumer interest in the brand. Such initiatives allow the company to respond to changes in consumer preferences and remain competitive in the market.

Successful retail strategies also include using technology to improve customer interactions and streamline sales processes. For example, the introduction of electronic loyalty cards, mobile apps, and online platforms helps businesses provide easier access to their products and services, as well as improve customer service. This, in turn, helps to increase sales and create a stable base of loyal consumers.

Adapting to current trends, such as the growing demand for healthy and organic products, can also be a key success factor. Companies that respond to these changes can introduce new product lines that meet consumer demands. For example, MHP PJSC is actively developing a range of products that meet the standards of healthy eating, which allows it to take a favorable position in the market and satisfy the needs of conscious consumers.

In conclusion, the implementation of successful retail strategies in the food industry is an important aspect that affects the financial results of enterprises. A comprehensive approach, including loyalty programs, effective merchandising, product adaptation to consumer needs and the use of technology, allows companies to succeed, strengthen their position in the market and ensure long-term development. In today's dynamic environment, companies that can adapt quickly and implement new strategies will have significant advantages over their competitors.

Conclusions. Retail valuation for food industry enterprises is an important and comprehensive process that is critical to ensuring their success in today's competitive environment. Retail is not only responsible for the sale of products, but also plays an important role in shaping the brand image, influencing consumer demand and the overall financial results of the enterprise. In this context, it is important to understand what factors affect efficiency and how they can be optimized to achieve best results.

One of the key aspects of retail is its ability to ensure the availability of products for consumers. An effective retail strategy allows businesses to adapt to changes in consumer preferences and ensure timely response to demand. Choosing the right retail channels, such as traditional supermarkets, e-commerce, and specialty stores, determines not only sales volumes but also the overall profitability of the business. For example, businesses that actively use online sales have the opportunity to reach a wider audience and attract new consumers.

Key retail valuation metrics, including sales volume, product margins, and ROI, allow businesses to gain a comprehensive view of the effectiveness of their retail strategies. The analysis of these indicators helps to identify the strengths and weaknesses of retail, which, in turn, makes it possible to adapt strategies to increase competitiveness. For example, studying the average check and the number of transactions can help businesses determine which products attract consumers the most and where adjustments need to be made.

An important component of retail valuation is the use of the latest technologies and tools for data collection and analysis. The use of Big Data to forecast demand and personalize offers to consumers enables food industry enterprises to gain competitive advantages in the market. In addition, market research conducted through focus groups and surveys allows companies to gain a deeper understanding of the needs and desires of their consumers, which is essential for successful adaptation of retail strategies.

Examples of successful retail strategies implemented by leading companies, such as Nestle-Ukraine LLC, Rud JSC and AVK LLC, show how loyalty programs, active merchandising and product adaptation to the specific needs of retail partners can significantly affect the financial results of enterprises. Creating exclusive product lines and using modern technology for marketing and promoting products help increase brand awareness and attract new consumers.

Thus, retail valuation is not only an important element of the management of food industry enterprises, but also a strategic tool that allows you to effectively manage resources and maximize profits. In a rapidly changing market, enterprises need to constantly improve their retail strategies, taking into account new consumer trends, technological innovations and changes in the competitive environment.

Summing up, it can be argued that retail is an important component of the success of food industry enterprises, which requires careful analysis and continuous improvement. Understanding the importance of retail, its impact on financial results, and strategic valuation approaches are key to achieving competitive advantages and sustainable development in today's business environment.

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