

Section: Trade and supply chain

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COMMERCIAL INTERMEDIARY ACTIVITY OF THE ENTERPRISE ON THE DOMESTIC MARKET

A commercial and intermediary activity is a phenomenon quite common in international and domestic markets. In countries such as Great Britain, the USA, Japan, Germany, Sweden, half of the turnover of goods and services accounts for half of intermediaries. In Ukraine, commercial intermediary activity develops rather contradictory: on the one hand, trade liberalization, expansion of foreign economic relations, and, on the other hand, the lack of development of the normative base, low professional level of intermediaries, general distrust hamper the process of formation of intermediary structures, which in its own turning their activities into a "shadow".

Commercial mediation, in accordance with Article 295 of the Commercial Code of Ukraine, is an entrepreneurial activity consisting in the provision by a commercial agent of the services of economic entities in the course of their business activity by the way of mediation on behalf of, in the interest, under the control and at the expense of the entity which he represents [1]. At the same time, Chapter 31 of the Civil Code of Ukraine, which contains Article 295, is entitled "Commercial mediation (agency relations) in the field of management". Therefore, from the content of the article it follows that commercial mediation is

defined as activity, and in the other - as a relationship. In my opinion, this is an omission, but needs legal clarification.

The current Ukrainian legislation does not provide an exhaustive list of mediation agreements. Agency agreements are usually contracts for the provision of services. They allow the market to saturate the goods and services and satisfy the needs of the consumer, which, in turn, contributes to socio-economic stabilization in the country [2]. Necessary direct laws, systematized rules of law. This is primarily about the adoption of the Law of Ukraine "On Trade". Such a law will help to effectively regulate the whole set of relations that arise in the field of trade.

In the new stage of Ukraine's integration it is expedient to develop such forms of mediation, which, while working on a profit basis, would take into account the interests of other participants in the distribution channel, in particular, producers and end consumers, that is, they focused not on current profit, but on long-term cooperation. In the services sector, the main forms of manifestation of commercial mediation are: outsourcing, trusteeship, recruiting (recruitment services).

Commercial representatives are dependent or partially dependent intermediaries who fulfill the orders of the manufacturer (the principal) provided for in the agreement. They search for profitable and reliable customers, negotiate with them on behalf of the principal, agree all essential terms of the transaction [3].

The Legislation of Ukraine provides that a commercial representative may be authorized to commit only those actions whose right to perform is the person he represents. That is, the authority of the clerk also includes the conclusion of a transaction of sale in the name and at the expense of the principal [4]. "On behalf of the principal" means that the parties to the transaction are a commodity producer (principal) and a buyer, but sign a deal for the principal of his agent (attorney).

The most important factors for making purchases for most consumers is the quality and price, their harmonious combination, so the intermediary companies need to carefully monitor this ratio. The appropriate level of quality will create a solid foundation for maximum customer satisfaction and, as a result, will lead to a permanent relationship between the firm and its customers.

The main measures to improve the business of commercial intermediary enterprises are:

- creation of a full-fledged marketing service and organization of its divisions: marketing research, advertising, commodity policy, sales promotion;
- a commercial intermediary is engaged in the implementation of several types of products, therefore it is recommended to have a manager for each product group;
- systematic marketing research;
- timely promotion of clients;
- directing these companies to create a good company image;
- to raise the level of service and reduce prices for goods and services.

Further prospects for improving the position of commercial intermediary companies are largely dependent from an understanding of the need to introduce changes in the operation process, the chosen marketing policy and the management decisions made. If managers take into account the above recommendations and implement these measures, and laws will be adopted that clearly and thoroughly describe and regulate the relations of commercial intermediation in the domestic market, this should improve not only the financial condition of the object, but also its image among competing enterprises in the industry.

References

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