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Article

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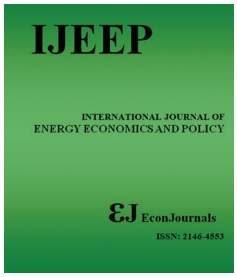

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Evaluation of the Gas Industry Company's Competitiveness in the Domestic Market

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ABSTRACT

Quantification of a company's competitiveness in the gas industry is necessary in order to find the possibility for that entity to maintain or increase its competitive advantage in the respective markets for goods and services. Therefore, the market opportunities of an economic entity are the result of the competitive advantages creation, the form, quantity, and quality of which determine the scope, nature and success of the entity's activity in its market segment and the possibility of its expanding to new markets. The need to assess competitiveness is confirmed by the qualitative and quantitative analysis of the Russian companies' activities in the oil and gas industry. The authors applied a dynamic method for assessing the competitiveness of a leading company in the Russian gas market. Based on the results of the study, it was concluded that it is advisable to use this method, because it makes it possible to identify the main factors that influenced the level of competitiveness of the investigated object. These factors, therefore, allows us to determine the main reserves for increasing the competitiveness of the analyzed enterprise. The practical application of this study finding is possible in the field of corporate governance and strategic planning for gas companies.

Keywords: Competitiveness Management, Competitiveness Assessment Methods, Dynamic Competitiveness Assessment Method, Oil and Gas Companies
JEL Classifications: L10, L95, D43

1. INTRODUCTION

The development of the global market is accompanied by intensified competition, increased requirements for product and service quality, which forces enterprises to constantly develop their strategic potential, look for possible options for its effective use, create new competitive advantages and develop a competitive strategy.

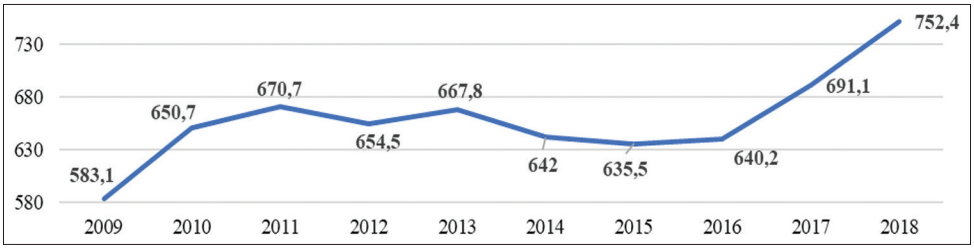
The global gas industry is characterized by general trends towards increased competition due to the following factors:

1. The development of alternative methods of transporting natural gas
2. Containment of demand for hydrocarbons due to increased energy efficiency
3. Change in fuel and energy balances due to the development of renewable energy sources (Kapitonov et al., 2018).

Despite the improvement of statistics on total gas production, which reached record highs in 2018 (Figure 1), the Russian gas industry is facing numerous challenges.

Currently, the raw material base of the gas industry is characterized by significant depletion of existing fields. The question is raised about the lack of exploration, as well as about new trends in increasing the extraction of hard-to-recover reserves.

Figure 1: Gas production in Russia, billion cubic meters



Source: Compiled by the authors according to the Ministry of Energy of the Russian Federation

Problems in the development of new fields are directly related to the climatic conditions, since most of the major gas production centers are located far from the already established industrial development hubs . Another problem is aging infrastructure. The share of gas pipelines of PJSC Gazprom with more than 30 years of operating life in 2017 amounted to 56.7%.

The situation is complicated by the conditions of Western sectoral and financial sanctions. On the one side, the sanctions regime against Russia has a negative impact in the long run. In the gas industry, the development of offshore projects is slowing down and the investment climate is deteriorating, which in turn will affect production after 2020.

On the other side, sanctions led to the launch of localization programs in the oil and gas industry. Thus, Russian companies and foreign companies with localized production will be able to develop their own software and hardware, that is, become independent of sanctions in a technical and technological sense.

The solution of these problems is inextricably linked with the competitiveness of gas companies in the domestic market; with the increasing of which we should take into account the social functions of the gas industry and its strategic importance for the Russian economy.

Potential changes should not affect the reliability of gas supplies, including peak periods; but they shouldallow maintaining sustained foreign exchange earnings for the country's budget generated by exports, and they also should not have a negative impact on socially vulnerable groups of people.

The Russian gas industry includes enterprises engaged in geological exploration, drilling exploratory and production wells, gas production and transportation, gas storage and processing.

As at 01.01.2019, 251 mining companies had carried out the production of natural and associated petroleum gas (hereinafter APG) in the territory of the country , including:

- 80 the vertically integrated oil companies
- 15 subsidiaries PJSC Gazprom
- 9 structural divisions of NOVATEK
- 144 independent oil and gas companies
- 3 enterprises operating under PSA terms (PSA operators).

The structure of the oil and gas industry of the Russian Federation is oligopolistic in nature and has a high level of concentration. Natural gas transportation is a monopoly, since more than 96% of the transportation capacities are controlled by Gazprom. Vertically integrated oil companies (VINK) dominate all market segments: oil and natural gas production and processing, storage and sale of hydrocarbons.

Independent market players's access to refining capacities and the infrastructure of the natural gas, oil and petrochemical products market is constrained. Nevertheless, in recent years, there have been noticeable trends in the liberalization of the gas industry.

In the structure of Russian gas production, an obvious trend in recent years has become a decrease in the share of PJSC Gazprom: In 2009, the group's share in gas production in Russia was 80%, in 2018 - 68%. The domestic gas market of the Russian Federation is characterized by increased competition for consumers and a gradual increase in the number independent gas producers in the total volume of supplies to the domestic market, which, depending on the time of year, is about 45-50%.

2. LITERATURE REVIEW

Competition is one of the key factors in the development of the market economy, as it is the main driver of the evolution of the relationship between economic entities operating in the market environment. The market can be seen as a platform for competition.

In this struggle, as a rule, commodity producers, trading and sales firms, or financial organizations, which have competitiveness and create their competitive advantages maintain their position in the market. There are two approaches to defining competitiveness - based on price and non-price competition.

In a study by Smith (1776), the key factor in competitiveness is comparative advantage, due to which there is a decline in commodity prices. Theories based on the idea of price competition speak more of the competitiveness of a country, rather than a company.

Current work on the competitiveness of natural gas in terms of price, Ergunova et al., 2018. The authors consider the problems of price formation for natural gas that affect competitiveness: increasing production costs and the growth of mineral extraction tax, as well as cross-subsidization, which helps to keep low prices for natural gas for the population at the expense of industrial enterprises. – расхождение с исходным текстом. Не могу вносить правки.

The competitiveness of the company has been considering sincethe second half of the 20th century with the rapid development of international and intra-industry trade, when the company began to be seen as a market agent.

Approaches based on non-price methods of competitive struggle are presented in the works by Paul Krugman, Michael Porter, Melitz. Competitiveness based on non-price methods is not is not built on the price advantages of countries, but on the differences in the activities of such economic agents as firms, trade organizations, and cluster associations.

Paul Krugman in his work (Krugman, 1994) argues that the concept of "competitiveness" should be considered at the level of manufacturing companies.

An important competitive factor, which was investigated by Krugman (1979) and Melitz (2003), is the creation of production chains, through which costs are optimized.

Given the structure of oil and gas companies, the common trend of which is the vertical integration of companies from exploration and production to refining and power generation, this competitiveness factor is gaining importance in modern context. So, an article by Yahaya et al. (2014) assesses the correlation between flexible supply chain sizes, competitive goals, and business performance in the UK oil and gas industry operating in the North Sea.

Porter (1979) made a significant contribution to the development of methods for assessing the company's competitiveness, arguing that the competitive advantages that arise as a result of the company's activities are the key to profit and welfare growth.

Some authors criticize Porter's methodology, saying that it was simplified from its conception and does not take into account the factors of modern economics (Lee et al., 2012; Dulcic et al., 2012; Grundy, 2006). Others (Mishin, 2017; Maxfield, 2008; Downes, 1997) - adapt it to the conditions of the modern economy, adding new factors (globalization, deregulation, computerization, and technology). In the framework of the theory, M. Portrait also emphasized the role of the state in enhancing competitiveness. In his opinion, the state can provide direct and indirect subsidies, which will stimulate companies to increase production volumes and develop.

For Russian oil and gas companies in modern context, when the developed fields differ in complex climatic and geographical characteristics, the state's ability to provide tax benefits (for example, property tax, mineral extraction tax, and customs duties) is especially interesting.

According to Hongguang et al. (2019) competition in the gas industry is becoming fiercer, influenced by a complex and rapidly changing market environment. In highly competitive environment, gas companies have to determine the development goals, management models, scientific and rational marketing strategies.

The article discusses the developed combination of products, prices, sales and promotion strategies, due to which gas sales have reached a sharp increase.

Intensified competition in the gas industry is characteristic not only of the global market, but also of the domestic one. According to Özdemir and Karbuz (2015) the Russian gas industry is undergoing a transitional period, which can be described as moderate decentralization, characterized by increased competition and the need to adapt PJSC Gazprom to changing conditions. The liberalization of the Russian gas market, as the authors suggest, could lead to the elimination of the monopoly in the transportation of natural gas.

A similar view is expressed in Locatelli (2014), who argues that the Russian gas sector is undergoing significant changes. PJSC Gazprom remains the main player in the Russian gas industry, but the company faces problems in its main export market and growing domestic competition with emerging new independent gas companies and Russian oil companies.

For PJSC Gazprom, the goal is to develop more flexible strategies not only in export markets, but also in the domestic market. Changes in the strategy in the domestic market, in turn, will affect the export strategy of PJSC Gazprom, which may be significant for international markets.

The current state of the Russian gas industry, taking into account its transformation, is analyzed in a study by Loe (2019). According to the author, the reform of the Russian domestic gas sector had been discussed for several decades, but was never implemented. The state-controlled energy company PJSC Gazprom holds a dominant position in the domestic market, providing the population with gas, aomplementing social functions and receiving state benefits in return.

At the same time, independent gas producers have increased their market share and lobbied for liberalization. The author concludes that too sharp a change in the structure of the gas market is unlikely not only on the basis of the economic interests of PJSC Gazprom, but also due to the social functions of the company, which consists in the ideological unification of the Russian territories.

Evaluation of the PJSC Gazprom competitiveness of in the domestic market is a pressing socio-economic task, which requires modern methods of solution. Despite the ongoing reform, liberalization trends and the decline in the share of PJSC Gazprom in the domestic market, the company performs important social functions:

1. Reliable supplies of natural gas during peak-load hours
2. Implementation of capital-intensive strategic projects
3. Job creation and infrastructure development of the Russian regions
4. Ideological-political consolidation of Russian territories.

3. METHODOLOGY OF THE RESEARCH

The main approaches to assessing the competitiveness of enterprises can be divided into several groups.

(1) Product methods. In the framework of this approach, the only indicator that is used to assess the competitiveness of a company is the competitiveness of its products. This group of methods is based on the judgment: The higher the competitiveness of the product, the higher the competitiveness of the enterprise. To find the level of product competitiveness, various kinds of qualimetric and marketing methods are applied, which are based on determining the price / quality ratio of products.

(2) Business valuation methods (Korotkov et al., 2017). This group of methods is based on the assumption that only a market assessment of an enterprise, combining the main indicators of its external and internal environment, can be the final criterion for the economic efficiency of the company, its financial well-being, profit, sales, cost, liquidity, and asset turnover are only intermediate characteristics of the private economic aspects of the organization.

Thus, business value is an inextricably linked indicator of the enterprise development . Therefore, we can say that comparing the dynamics of the various enterprises values of allows us to compare the prospects and results of their activities, and, consequently, assess the competitiveness of selected entities.

(3) Operational methods. This group of methods is based on the following proposition: the enterprises with the highest level of competitiveness are those that work best in all services and units.

In the framework of the operational approach, the company's competitiveness acts as a set of indicators for evaluating the performance of certain operations - aspects of economic activity.

In order to assess the competitiveness of the organization under study by this method, first a list of indicators and operations that are most important to ensure the competitiveness of the enterprise is determined. Then, each indicator is compared with a similar indicator of a competitor, and ultimately, the final indicator of the organization's competitiveness is determined.

(4) Dynamic methods (Yankova, 2013). This group of methods is based on the assessment of the dynamics of key economic indicators of the enterprise (in contrast to the prevailing number of methods that give an estimate of "statics").

The dynamic approach is based on the following principles: the identification of key indicators of the enterprise and the application of dynamic analysis of them in relation to a sample of competitors. As key indicators, as a rule, the dynamics of the enterprise's market share (strategic positioning) and its profitability (operational efficiency) are analyzed, as well as some authors suggest supplementing this approach with an analysis of the enterprise financial stability , especially during periods of economic volatility.

(5) Matrix methods. This group was named due to the use of matrix display of competitiveness assessment results. Another characteristic feature of these methods is the emphasis on marketing assessment of the company.

Among the matrix models, it is worth highlighting the BCG matrix; Porter matrix; McKinsey matrix "Market Attractiveness/ Competitiveness"; matrix "Stage of the product life cycle/ competitive position"; Shell model "Industry Perspectives" – "Competitive Position"; The Hofer-Shendel model "Stages of market evolution" - "Competitive position", as well as some researchers attribute the SWOT analysis matrix to methods for assessing competitiveness (Krivenko, 2014).

To analyze the competitiveness of PJSC Gazprom, within the framework of this study, it is proposed to apply a dynamic method for assessing the competitiveness of an enterprise in the domestic market. The main aspect of the dynamic method is the implementation of calculations for several previous periods (3-4 years), rather than for the reporting one.

Time series obtained during the analysis significantly increase the reliability of enterprise competitiveness assessment . The decomposition of the competitiveness index obtained by applying the mathematical model of the dynamic method in the context of objects of comparison in combination with an analysis of their dynamics allows us to draw conclusions regarding the main reason for the current level of competitiveness.

Such an analysis of the company competitiveness provides an opportunity to identify the main factors that influence its level in the investigated organization. Therefore this makes it possible to determine the main reserves for increasing the competitiveness of the analysed enterprise.

The mathematical model of the dynamic method of assessing the competitiveness of the gas industry company can be presented as follows (Voronov, 2014):

$$C = C(r)*C(i)*C(l) \quad (1)$$

where C is the competitiveness of the selected organization; K (r) is the operating efficiency coefficient; C(i) is the coefficient of strategic positioning; C(l) is the financial ratio.

$$C(r) = R(a)/R(s) \quad (2)$$

where R (a) is the operational efficiency of the organization under study; R (s) is the operational efficiency of the sample.

In this case, the sample refers to the main competitors, the combination of which is sufficient and necessary for comparison with PJSC Gazprom.

$$R(a) = S(a)/E(a) \quad (3)$$

where S (a) - revenue of the studied company for the reporting period (sales); E (a) - costs of the studied company for the reporting period (expenses).

$$R(s)= S(s)/E(s) \quad (4)$$

where S (s) - revenue from a sample of competitors for the reporting period; E (s) - costs for the selection of competitors for the reporting period.

Costs mean all the operating expenses of the organization (they include the cost of products / services, administrative, commercial and other expenses of the company), as well as mandatory payments to the budget system that are not included in these cost categories. In general terms, the composition of costs must meet the condition: the company's net profit is equal to revenue reduced by costs.

$$C(i) = I(a)/I(s) \quad (5)$$

where I (a) is the index of change in revenue of the organization under study; I (s) - revenue change index for a sample of competitors.

These indices are calculated for the reporting period.

$$I(a) = S(a)/S(0a) \quad (6)$$

where S (0a) is the revenue of the organization under study for the previous period.

$$I(s) = S(s)/ S(0s) \quad (7)$$

where S (0s) is the revenue from a sample of competitors for the previous period.

$$C(l) = L(a)/L(s) \quad (8)$$

where L (a) - liquidity of the studied organization; L (s) - liquidity for a sample of competitors.

These indicators are calculated at the end of the reporting period.

$$L(a) = CA(a)/CL(a) \quad (9)$$

where CL (a) - current liabilities of the organization (current liabilities); CA (a) - current assets of the organization under study (current assets).

$$L(s) = CA(s)/CL(s) \quad (10)$$

where CL (s) - short-term liabilities of a sample of competitors; CA (s) - current assets of a sample of competitors.

So, taking into account the above formulas, the mathematical model of the dynamic method in general will represent the following:

$$C = R(a)/R(s)* I(a)/I(s)* L(a)/L(s) \quad (11)$$

Thus, the numerator of this fraction will reflect the coefficient of resource efficiency of the organization under study (C(a)), and the denominator will reflect the coefficient of resource efficiency of the sample of competitors (C(s)).

The competitiveness coefficient has the following criteria: The higher C, the greater the level of competitiveness of the analyzed enterprise will have in relation to the selection of competitors. If C >1, then the competitiveness of the analyzed enterprise will be higher than that of the sample of competitors. If C = 1, then the competitiveness of the analyzed company will be equal to the competitiveness of the sample. With 0 <C <1, the competitiveness of the analyzed company will be lower than the sample of competitors.

The first step in evaluating competitiveness by applying a dynamic method is to define matching objects. The objects of comparison with PJSC Gazprom will be the largest domestic enterprises of the oil and gas complex.

According to the monitoring results, the domestic competitors of PJSC Gazprom are PJSC Lukoil, PJSC NOVATEK, PJSC NK Rosneft, PJSC Tatneft, PJSC Surgutneftegas and OJSC NGK Slavneft. Next, an assessment will be made of the level of competitiveness of PJSC Gazprom in comparison with the total indicators of the above mentioned companies, which will be included in the sample.

PJSC Gazprom competitiveness assessment was carried out on the basis of annual indicators for 2015-2018. The source of the source data is the reporting of the largest oil and gas companies of the Russian Federation, compiled according to IFRS for the specified years and published in the manner prescribed by law. Mathematical calculations were performed using Excel.

4. THE RESULTS OF RESEARCH

The final calculation results are presented in the Table 1.

The analysis of the calculations (Table 1) suggests that, according to the results of 2018, the competitiveness indicator of PJSC Gazprom in comparison with the main competitors of the oil and gas complex amounted to 1.2032 (C >1), which, in turn, allows us to recognize the competitive status of the analyzed enterprise high in relation to the main competitors in the domestic market.

Imagine the dynamics of the PJSC Gazprom level of competitiveness of in 2015-2018 (Figure 2). The analysis of the dynamics of PJSC Gazprom competitiveness in the indicated period allows us to state that the competitiveness of the analyzed enterprise is clearly subject to fluctuations, but is generally positive.

5. INTERPRETATION OF RESULTS OBTAINED

The competitiveness indicator of PJSC Gazprom (C) in 2015-2018 was decomposed according to the sources (Figure 3): Operating efficiency coefficient, strategic positioning coefficient, financial condition ratio (C(r) indicators, C(i) and C(l), respectively) in order to analyse the changes.

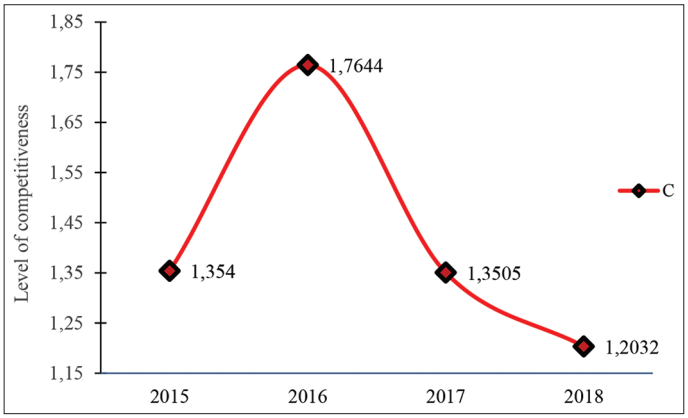
An analysis of the evaluation results shows that the increase in the PJSC Gazprom competitiveness level in 2016 compared to the level of 2015 was mainly due to the growth of financial ratios and operational efficiency, despite the drop in the strategic positioning coefficient.

Table 1: PJSC Gazprom competitiveness indicators in comparison with the main competitors in the domestic market

Indicator	Calculation	2015	2016	2017	2018
C	C(r)*C(i)*C(l)	1,3540	1,7644	1,3505	1,2032
C(r)	R(a)/R(s)	1,0146	1,1251	1,0379	1,0711
R(a)	S(a)/E(a)	1,1528	1,1950	1,1327	1,2284
S(a)		6 073 318	6 111 051	6 546 143	8 224 177
E(a)		5 268 119	5 113 947	5 779 264	6 695 181
R(s)	S(s)/E(s)	1,1362	1,0621	1,0913	1,1468
S(s)		2 237 442	2 128 222	2 438 054	3 314 412
E(s)		1 969 146	2 003 737	2 234 029	2 890 047
C(i)	I(a)/I(s)	1,1123	1,0579	0,9351	0,9242
I(a)	S(a)/S(0a)	1,0865	1,0062	1,0712	1,2563
S(a)		6 073 318	6 111 051	6 546 143	8 224 177
S(0a)		5 589 811	6 073 318	6 111 051	6 546 143
I(s)	S(s)/ S(0s)	0,9768	0,9512	1,1456	1,3594
S(s)		2 237 442	2 128 222	2 438 054	3 314 412
S(0s)		2 290 504	2 237 442	2 128 222	2 438 054
C(l)	L(a)/L(s)	1,1998	1,4825	1,3915	1,2155
L(a)	CA(a)/CL(a)	1,8797	1,6830	1,3397	1,7028
CA(a)		3 993 722	3 234 346	3 469 266	4 212 230
CL(a)		2 124 701	1 921 808	2 589 516	2 473 695
L(s)	CA(s)/CL(s)	1,5667	1,1353	0,9628	1,4009
CA(s)		793 757	810 446	894 306	1 092 154
CL(s)		506 653	713 889	928 859	779 593
C(a)	R(a)*I(a)*L(a)	2,3544	2,0236	1,6256	2,6279
C(s)	R(s)*I(s)*L(s)	1,7389	1,1469	1,2037	2,1841

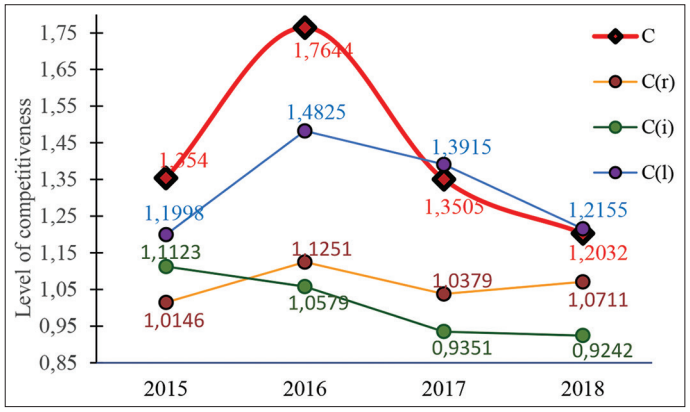
Source: Calculated and compiled by the authors

Figure 2: Dynamics of the competitiveness level of PJSC Gazprom in 2015-2018



Source: compiled by the authors based on Table 1 data

Figure 3: The dynamics of competitiveness of PJSC Gazprom in 2015-2018 according to sources



Source: Compiled by the authors based on Table 1 data.

As can be seen in Figure 3, the competitiveness of PJSC Gazprom in 2017 decreased compared to 2016 according to all sources, which led to its instability. As for the further fall in the overall competitiveness coefficient in 2018, its main reason was a significant decrease in the financial stability of the company in relation to the sample of competitors, while there was an increase in operational efficiency and strategic positioning compared to the previous year.

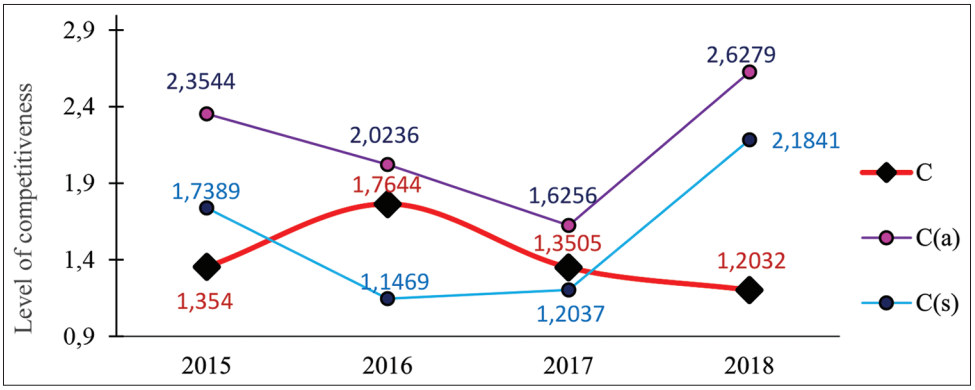
On the whole, it can be noted that of all the sources of competitiveness of PJSC Gazprom in the analyzed period, strategic positioning has the lowest coefficient.

Since this indicator has declined since 2015, and at the same time, the values of this coefficient in 2017-2018 were below unity, we can say that the increase in strategic positioning C(i) should be designated as the reserve for growth in competitiveness of PJSC Gazprom. In turn, this can be done by preventing a further decrease in the company's sales.

Figure 4 shows the competitiveness dynamics of PJSC Gazprom in terms of objects of comparison: the coefficient of resource efficiency of PJSC Gazprom (C(a)) and the coefficient of efficiency of resource use by a sample of competing oil and gas companies (C (s)).

The presented changes (Figure 4) of PJSC Gazprom's competitiveness compared to objects C(a) and C(s) suggest that in 2015-2017 there was a tendency to decrease the efficiency of PJSC Gazprom's resources use, while the decrease in efficiency also was noticed in 2016 by the main competing oil and gas companies.

Figure 4: PJSC Gazprom Competitiveness dybamics by compared objects C(a) and C(s)



Source: Compiled by the authors based on Table 1 data.

At the same time, it is worth noting that the decrease in efficiency in 2017 was recorded specifically for PJSC Gazprom, while the overall efficiency indicator for the sample compared to the previous year still begins to grow (+0.0568).

In 2018, there was a sharp increase in the efficiency of resource use both in Gazprom PJSC and in the sample of its competitors. In particular, PJSC Gazprom has such a sharp increase in C(a) ratio due mainly to an increase in the company's liquidity ratio (L(a)), which in turn can be explained by an increase in current assets (CA(a)).

As for the sharp increase in the coefficient of efficiency of resource use in a sample of competitors C(s), this change is mainly caused by an increase in the index of changes in revenue for the sample (I(s)), as well as an increase in working capital for most competitors, and as a result of an increase in liquidity of these organizations (L (s)), which in turn had a positive effect on the financial health ratio for a sample of competitors (C(l)).

It is also worth noting that in 2018, the growth in PJSC Gazprom resource efficiency was proportional to its main competitors, which generally indicates an improvement in the domestic energy market.

6. CONCLUSIONS

The analysis of the Gazprom PJSC competitiveness of in the domestic market using the dynamic method of competitiveness evaluation of allows drawing the following conclusions in the applied aspect: the competitiveness status of the investigated company in general can be estimated as sufficient; the main competitive advantage of Gazprom PJSC is high financial stability compared to domestic competitors (stable high indicator, besides, significant growth was observed in 2018), and the main reserve for increasing the level of competitiveness of the analyzed enterprise is to increase the coefficient of strategic positioning by increasing the volume of energy production, increasing the market share and sales within the country (to increase the index for change in revenues of the enterprise I (a)).

Fluctuations in the level of PJSC Gazprom competitiveness in the analyzed period can be predetermined by a high indicator of price volatility in the global energy market.

The results of the analysis can be used to develop measures to improve the PJSC Gazprom competitiveness in the domestic market.

The key reserve for increasing competitiveness, identified during the dynamic analysis of PJSC Gazprom, is the increase in sales volumes to increase the index for changes in the company's revenue (one of the sources of the company's competitiveness).

This, in turn, can be achieved using an integrated approach. The recommendations on improving the competitiveness of PJSC Gazprom included measures to develop the company's marketing policy, sales management system and introduce innovative technologies aimed at developing the gas and oil business, as well as the organizational environment:

- Integration of the gas industry with adjacent areas. (gas chemistry)
- The growth of effective gasification of the country (both network and autonomous) to reduce the level of unmet gas demand of the population; only 11% of domestic consumption is currently satisfied by the company
- Development of innovative segments of the Russian gas industry: small and medium tonnage LNG, gas engine fuel
- Development of localization programs for the production of appropriate equipment for the oil and gas industry
- Further increase in the depth of oil refining
- Addressing issues of taxation and obtaining preferential status for new facilities
- Development of a discount system. If we speak about the domestic market, here the company will be able to regain market share and increase sales if it provides discounts to certain categories of consumers. For example, there can be discounts to consumers for speeding up payment, that is, in this case, the standard selling price will be reduced if the consumer pays earlier than the contractual deadline
- Conducting an effective advertising campaign (to stimulate demand and effectively promote the company's energy resources in the market).

Given the fact that PJSC Gazprom is an international company that actively works in the foreign market, competitiveness assessment should be carried out not only in the domestic market, but also in the external market, which will allow expanding and detailing recommendations for improving the competitiveness level.

7. ACKNOWLEDGEMENT

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