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THE POTENTIAL OF INTERNAL COMPANY INTEGRATION IN THE ENTERPRISE MANAGEMENT SYSTEM (ON THE EXAMPLE OF A COFFEE-SHOP)

Summary

In the conditions of global challenges, the mechanisms of integration of enterprise activities in various forms create additional opportunities for entering international markets. Today, participants in integration processes are mostly large companies, as they have more financial, organizational and competent opportunities for this, compared to small businesses. However, integration can also be used by small businesses (for example, coffee shops) to increase the scale and influence of the enterprise in the industry, which strengthens the competitive advantages of the firm in the long term. The article examines the coffee supply chain, in which all technological processes are conditionally divided into four key groups: cultivation and primary processing of coffee, international distribution, roasting and sale, and final consumption. It has been established that one of the reasons for the volatility of coffee prices is not only climatic changes but also the high costs associated with growing its commercial varieties. This situation is largely caused by too many different middlemen in the coffee supply chain. The components of coffee supply chains are highlighted from the point of view of a typical scenario, fair trade and direct trade. The advantages of fair and direct trade in the use of coffee business enterprises have been determined. The objective reasons for the internal backward integration of the activities of coffee shops are substantiated, which are a significant reduction in the cost of the finished product, comprehensive quality control, and wider opportunities for the implementation of the principles of corporate social responsibility. The article proposes a model for increasing the level of competitiveness of coffee shops through internal backward integration. When using the proposed model, coffee shops will be able to strengthen their competitive positions, since it involves a comprehensive approach to managing competitiveness through the improvement of its key components - economic (reduction of the cost of the basic assortment position), quality (control of product quality at most stages of its creation) and social (implementation principles of social responsibility in the course of integrated activities).

Keywords: integration, potential of internal company integration, competitiveness of an enterprise, fair trade, direct trade.

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