

THE SUPPLY AND DEMAND BALANCE TRANSITORY FACTORS PLANNING IN COMMODITY MARKETS

Merkulova Yu.V.

PhD in Economics, Moscow, the Russian Federation

E – mail: merkul.yuliya@gmail.com

The Abstract. The life cycles of supply and demand, and the methodology for their optimization are analyzed in this paper. Among the main indicators of the planning it was suggested by me to be entered the new record, which I called the “time factor”. Under the current economic conditions, it is not enough already to be planned the quality, price and volume figures of the goods’ supply, taking into account the demand’s temporal characteristics. It, moreover, is recommended by me to be planned the success transitory factors themselves, i.e. to be planned the individual stages’ duration and, in whole, the goods’ life cycle in the market. It is very important for the balance of supply and demand, and for all the other parameters. The goals, objectives, research and development (R & D) content, technological, organizational pre–production stages of the production itself and the marketing have already been defined in the solving optimization challenges of the transitory and the other indicators of the demand planning and the goods’ supply.

The Key Words: time factor, product, demand, competition, supply, life cycle, balance.

Each year, the goods’ competitiveness rise is increasingly dependent on the final products’ positioning timeliness and their duration in the market and also the prices’ level for them. The reduced input intensities of the production and the temporary restrictions in the success achievement – are the major challenges, which should be solved by the enterprises under the contemporary management and its economy conditions. Therefore, in the course of the carried out study [1], among the main indicators of the planning it was suggested by me to be entered the new figure, which, can be characterized, as the “time factor”. The real success and the immeasurably greater profits are usually given that firm and company, that are entered into the market with their new final products, rather than they are copied someone else’s inventions. Only with such final production, the firm and the company will be able to be gained the competitive positions not only in the domestic, but also in the world – wide and the international markets, to become «the trendsetters» in the whole markets. In the final commodity strategies and the programs to be implemented their further planning, it was proposed by me, to be studied not only the volume, price, and the quality indicators of the supply and their demand, as in the current and well as the long – term perspective, but also their tempo performances and their characteristics.

It is recommended the analysis and forecasting graphical methods for this study conducting. It has been distinguished by the five stages in the life cycles of the supply and the demand. It, moreover, has been assumed, that the stages of generation, acceleration, stabilization,

reduction, and damping demand should be matched the following steps of the final products positioning in the market: the introduction, the supply growth, the maturity, the supply's decline, and the leaving from the market.

So, the various situations of the transitory mismatches between the demand and the supply, and their impact on the gaps between them, in terms of the volume, the price, and the quality indicators have been considered by us. It, moreover, has been concluded, that at the matching transitory cycles, the firm and the company are much easier to be stimulated the demand, and to be found the necessary reserves to balance the demand and the supply, in terms of the volume, the price, and the quality final goods' parameters. At the transitory discrepancies to the firm and the company the task to be adjusted not only their expensive, the volume, the quality, and the price of the commodity strategies level indicators, as well as the tempo development, the production improvement, and the final products marketing strategies, which is much more difficult one.

The graphical dependencies of the volume and the price discrepancies between the demand and the supply, respectively, for being late and the advanced final product life cycles have been considered. So, the firm and the company, which are too late in further bringing their final goods and products to the market, are found themselves in their more pressing situation.

First, the firm and the company are quite being lost their ability to be positioned the final products, as the new final products, automatically are shortened the time to be found the product at the introduction and the growth stages of the supply, in terms of the volume and the sales price for the given marketing stages of the firm and the company to be yielded to their competitors. *Second*, the firm's and the company's commodity are became morally obsolete faster, and they will have to be reduced the prices on it, even without having received the adequate profits from it, and subsequently, to be withdrawn from the market, altogether. Moreover, if the supply volume is much easier to be adjusted to the demand, that the price discrepancies elimination is practically more complex process. To be reduced the goods' cost, the relevant preconditions must be present, in the form of the falling production costs or the marketing costs. It is very difficult to be increased the production volumes and to be sought the necessary reserves for the production costs reduction under **the pressing time** conditions. The firm and the company will only be increased the production scales, and the demand is already being fallen, and it is necessary to have already cut the production. So, the firm and the company do not have enough time to be got the proper return and, moreover, to be found the necessary reserves for the production costs reduction, under these circumstances. In addition, if the final product has not had enough time to be proved itself in the market, its implementation period was too small, than the firm and the company cannot be reduced the necessary costs for their advertising, and the service activities. And, subsequently, the marketing

costs are also, not in the least time, are being defined by the positioning transitory parameters one or another final product. In this regard, the firm and the company, which have entered the market with their final product before the demand occurrence for it, though they are suffered their losses, but they are in a better and profitable position to be adjusted their commodity strategy, as they are, at least, are not suffered the time shortage and have more the necessary reserves for the final product quality perfection and improvement, and also the demand stimulation.

So, in the course of the scientific research, much attention has been paid to the situations consideration, *where not only ahead or behind of the demand's life cycle from the final product's life cycle, but also the stages themselves duration of these life cycles is not the same, and they are not coincided at all.* These are the most complex and difficult situations for the necessary adjustments, as well as the exercises with some stages' extension, by the others' shortening are very difficult, as likely the stages of the demand duration will also be in the constant dynamics, under the influence of the various factors. At the transitory adjustments, under these conditions, it can be the speech only on **the losses' minimization**. The firm and the company should be solved the optimization challenges on the length approximation of the final product positioning stages in the market by being in the dynamics of the demand stages for it. For this purpose, it is necessary to be predicted the tempo changes in the demand, in terms of both, as in the volume, the price, well as in transitory factors.

The recommended methodology for balance study of the volume, quality, and price indicators of the demand and the support, having taken into consideration the time factor, **which** is assumed and involved the **complex** set implementation of the scientific and research, the design, the production and technical, the organizational and the marketing activities and their arrangements. So, in this paper, the goals, the objectives, the content of each from the stages have already been defined by us in the challenges solving of the stages synchronization of the life cycles of the goods' demand and the supply, the parameters' optimization of the final product positioning in the market, in accordance with the transitory peculiarities and special features, and their characteristics of the demand for it. Thus, the specific examples of the major adjustments have been given, including the transitory peculiarities and special features, and their characteristics of the goods, which are not only able to be brought much near the product offering parameters to the demand dynamics, but also to be stimulated the changes of the demand itself in the side of its life cycle extension and to be increased the demand volumes for the final product. This methodology of the researches and the transient forecasts is especially relevant, under the rapid changes conditions in the **existing** markets. In future, it should become the integral part of the plans to be improved the competitiveness of the commodity supply. More detailed methodology for the final product competitiveness planning, with dew regard for the transitory demand factors has been described in the paper: "The Transitory

Parameters of the Goods' Demand and Supply Planning", having written by me for the journal:
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