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IDENTIFICATION OF CONSUMER DEVELOPMENT TRENDS IN A MAJOR CITY: A MARKET-BASED APPROACH

The subject matter of this article consists in a comparative analysis of key indicators of consumer market development in major cities of various Subjects of the Russian Federation, which are located in the same macro-region, taking the first three places in the regional hierarchy according to the population of the RF Subject territory, comprising the centres of large urban agglomerations and making a significant contribution to the formation of regional indicators of socio-economic development. The article is based on Federal State Statistics Service data on three RF Subjects namely, Perm Krai, Sverdlovsk and Chelyabinsk regions covering the period from 2007 to 2015. The study is based on the analysis, classification and systematisation of the information of theoretical sources and statistical data relating to the study, as well as on the presentation of the author's approaches and conclusions. Thus, within the framework of the research, the author considers different theoretical approaches to the consumer market and proposes a definition for the consumer market of a major city, taking into account the specifics of its functioning as an element of the economy of the city. With regard to the identification of development trends, in the framework of the study, new indices have been applied, such as "index of concentration of stationary retail establishments", "index of concentration of non-stationary retail establishments", "index of concentration of public canteens, snack bars", "index of concentration of canteens owned by the educational institutions, organisations, industrial enterprises" and "index of concentration of restaurants, cafes, bars". These indices characterise the degree of concentration of different types of retail establishments and catering establishments within a defined territory. According to the research, all cities included in the scope of the study have been grouped according to the identified consumer market development trends. The author has also developed a number of recommendations for the public authorities and local governments for improving the consumer markets of studied cities.

Keywords: consumer market, development trends and priorities, marketing approach, retail establishments, catering establishments, major city, comparative analysis, agglomeration, retail trade, trade centres, concentration, index of concentration

Introduction

The transition to a market economic system, which began in 1992, has affected all sectors of the Russian economy including the consumer market. If we examine it from the point of view of its importance for the functioning of the economy and impact on the socio-economic development of a territory, it should be noted that the budget, the level of employment, public satisfaction, as well as the attractiveness of the territory both for the population and business will depend on the degree of its development.

For Russia, the question of a marketing-based assessment of the consumer market structure of major cities and the definition of their development priorities is a barely studied sphere of scientific research [1, 2, 3, 4, 5]. Under the contemporary conditions of the market economic system, studying the concentration of consumer establishments on the territory of the major cities of the regions from a marketing perspective is becoming increasingly relevant.

Of particular interest are consumer markets of major cities comprising centres of attraction for the population and business development.

To improve the structure of consumer markets in major cities, it is necessary, first of all, to consider the theoretical approaches to the consumer market, and then, to analyse tendencies and propose possible directions for future development in the medium term.

Theoretical Basis of the Study

The first mention of the term of "regional consumer market" in the Russian economic literature is dated to the 1990s, a period associated with the transition to a market economy. The treatises of A.S. Novoselov and R.I. Schnieper were among the first in which the scope of research was the regional consumer market. In particular, Novoselov understands a regional consumer market as "the territorial organisation of the sphere of circulation, in which the coordination of the interests of producers and consumers takes place; the regional market is considered from the standpoint of the reproduction process — the weaving of the numerous interactions between participants of the regional economy acting as producers and consumers of various types of goods and services. The regional market has an open nature, developing economic relations with other regions of the country and the world" [6].

Recent studies of regional markets engaged in such Russian scientists as A.D. Akbashev, E.V. Alekhin, I.V. Arzhenovskiy, G.V. Gutman, N.P. Kets, O.D. Lomovtseva, M.A. Mambetov, A.A. Miroedov, A.L. Mishchenko, A.H. Tambiev, M.Yu. Trubina, S.V. Fedin, I.M. Shabunina and others. In particular, the proceedings of A.H. Tambiev, N.P. Ketov, M.A. Mambetov are dedicated to the mechanisms of formation and development of the regional consumer market. The questions of its state regulation are reflected in the works of A.D. Akbashev, A.L. Mishchenko, A.A. Litvinyuk, O.N. Dolgopolova, N.Y. Omarova and others.

Among the foreign scientists it is possible to allocate Armstrong, H. [7], Blakery Ed.[8], Cotler F.[9], Glaeser E.[10] Hall P. [11], Porter M. [12], Scheer B. [13], Smith W. [14], Stephen V. [15].

Thus, Alekhin considers the regional consumer market in terms of a system and gives the following definition: "the regional consumer market is the territorial system of socio-economic relations in the sphere of exchange, which meets the basic physical and material needs of the population" [16].

In contrast to the aforementioned approach to the definition of the regional consumer market, O.A. Inevatova identifies the economic aspect as fundamental. Thus, in her view, the regional consumer market "is the main component of the structure of the market economy, where a part of the gross national product (GNP) in the form of goods and services is purchased or acquired by the population of the region for personal use". [17]

It is noteworthy that, in recent years, the territorial aspect is most widely used for determining the regional consumer market. At the same time, the boundaries of the market usually coincide with the boundaries of the Russian Federation, economic area or geographical zone.

This is shown in the following definition. The regional consumer market is "a market of certain goods (groups of interchangeable goods), the geographical boundaries of which lie within the territory of a subject of the Russian Federation and include two or more municipalities" [18].

Another definition reflecting the territorial aspect is one in which the regional consumer market is "the organisation of the sphere of circulation, which aims to meet the needs of the population of this area in goods and services based on the maximum use of commodity-money relations through the market mechanisms of interaction of supply and demand" [19].

It is worth noting that all of the above-mentioned interpretations of the concept of "regional market" are fairly standardised and can be applied to the market of any subject of the Russian Federation regardless of its economic and geographical situation, the area of specialisation, economic structure, natural and labour resources as well as the historical tradition of production and consumption of certain goods.

Considering the theoretical approaches of different scientists to the consumer market as a scope of the study, it is necessary to examine the definition of the local consumer market. Its specificity lies in the fact that, being a structural element of the regional market with common features, it is a separate economic phenomenon, which has specific features due to the socio-economic situation of the territory, the degree of openness of the economy, the level of monopolisation and market capacity, the existence and height of entry barriers, the economic profile of the municipality, etc.

Thus, according to V.N. Khodyrevskaya and V.S. Krivoshlykov, "the local market in its economic essence — a combination of highly localised socio-economic processes and relations in the sphere of exchange (circulation), formed under the influence of supply and demand characteristics of each territorial-administrative entity and taking into account the valid methods of market conditions and business decision-making processes" [20].

In turn, N.V. Novikov offers the following definition of the local consumer market: "a system of economic relations that arise between buyers and sellers of goods and services for personal consump-

tion while purchasing, typical for a certain area (city, urban district, city and surroundings, rural settlement, municipality) "[21].

G. S. Tsvetkova offers a slightly different approach. For her, the local product market is one that groups interchangeable goods and whose geographical boundaries lie within the territory of the municipal entity of the Subject of the Russian Federation or part thereof [18].

The presented approach to the category takes into account the territorial dimension, as well as the process-related character of interaction; however, termination and systematisation features specific to this market are not taken into account [22].

Firstly, it comprises a master link in a production, distribution, exchange and consumption chain, which results in the purchase of goods on the market for final consumption, but not for the purposes of processing or marketing.

Secondly, the consumer market is strongly influenced by environmental factors, — in particular, legislative activity, trends in the markets of higher levels, etc.

The analysis of different approaches to the category of "consumer market" suggests a need to clarify this category, taking into account such factors as systematisation, termination of consumption and the specificity of its functioning as an element of the city's economy.

In particular, the consumer market has an impact on all economic spheres of the territory, acting as a guarantor of social stability due to the fact that it is "built into" the cycles of human life as no other market; in particular, it is subject to daily and weekly cycles.

On the basis of the foregoing, the author proposes the following definition of the consumer market of a major city.

The **consumer market** of a major city is an open developing system of trade and services existing in a particular area, formed under the influence of internal and external environmental factors that determine the specificity of interaction of its key participants, as well as qualitative and quantitative characteristics of consumer products.

The key factors influencing the development level of the consumer market of a particular territory are its spatial area, economic profile, level of socio-economic development and the size of its population.

When considering the classification of cities by population size from the perspective of a legal framework, we can distinguish the following continuity.

The first classification of cities was adopted by the State Committee for Construction of the USSR in the 1950s. Moreover, this classification is still used in urban planning practice. Then, in 1998, the Town Planning Code of the Russian Federation, which presented a new classification of cities by population size, was adopted. In 2004, a new Town Planning Code of the Russian Federation was adopted. Approaches to the classification of cities contained in these two documents are presented in Table 1.

Table 1

Classification of Russian cities by population size

Class of settlements	Population, thous. people	
	USSR State Committee for Construction (1950s)	Town Planning Code of the Russian Federation (1998)
megalopolis		More than 1000
metropolis	More than 1000	More than 1000
	500–999,0	
major city	250–499,0	250–999,0
large city	100–249,9	100–249,9
medium city	50–99,9	50–99,9
small city	Less than 50	Less than 50

Compiled by the author based on the study of scientific papers and normative-legal acts

In the major cities, the standards of quality of life of the population corresponding to current conditions and giving the opportunity to develop socio-economic potential have been formed. These comprise the centres in which human resources, economic opportunities and scientific potential are concentrated, as well as forming the cores of major urban agglomerations.

The formation and development of major urban agglomerations is determined by several factors.

Firstly, the increase in the concentration of industrial production and labour resources within the territory.

Secondly, the development of intensive production and transport facilities, as well as cultural and social networks.

Thirdly, if we consider the core of agglomeration and the service area, then they are characterised by the accessibility to transport and circular migration of the population (on a daily or weekly cycle).

Fourth, the core of agglomeration for the service area acts as a labour, educational, cultural and trade centre.

A specific character of a major city is that it is also forms the core of the urban agglomeration and the element of the national settlement system.

In a market economic system, the strengthening of agglomerating processes becomes an accelerator for the economic diversification of a major city, which in the future will ensure high rates of economic growth of the country, namely, the support of industrial production, system of markets, development of human capital and innovative potential of the territory.

Currently, in the Russian Federation, the predominant form of urban settlement is confirmed by the data of the population census of 2010. Thus, the proportion of the urban population compared to the total number of Russians is 73.7%. The modern city has a complex and comprehensive impact on all subsystems of modern society (political, economic, social, demographic, spatial and cultural), which is most pronounced in major cities and metropolises.

The major cities of the RF subjects are characterised not only by a high level of population concentration, but also by virtue of being places in which capital is concentrated, comprising large markets with a developed infrastructure and highly skilled personnel, as well as significant educational, cultural and scientific potential.

In addition, the larger the city, the higher the level of its socio-economic development, the greater the accumulated functions of the territory and the more favourable the prospects for its further development.

An increase in population of a Russian Federal Subject's metropolises as part of the Subject's overall population shows an increase in the process of population concentration in RF Subjects toward the metropolises. These cities are administrative centres, important centres of political, intellectual, economic and other activities, support units of the spatial organisation of society; moreover, they form the bulk of the regional budget revenues due to their high concentration of retail establishments.

As a rule, population growth in such cities is caused not only by natural regeneration, but also by active migration. This special feature appeared during the transitional period towards a market economy following the collapse of the Soviet Union. Thus, I.D. Turgel notes that "the highest population growth occurred in cities having a population of over 500 thousand people; people were moving to the major cities with a diverse industrial base and service area". [23]

It is remarkable that this trend continues, as evidenced by the data on the dynamics of the relative share of population of a RF Subject's major cities as part of the Subject's overall population (Table 2).

Table 2

Dynamics of the relative share of population among the "first" cities as part of the overall population of their RF subject (per cent)

City	2012	2013	2014	2015	City	2012	2013	2014	2015
Novosibirsk	56.24	56.68	57.05	57.35	Kazan	30.77	31.03	31.27	31.46
Ekaterinburg	32.35	32.69	33.00	33.36	Chelyabinsk	33.17	33.51	33.84	34.05
Nizhny Novgorod	38.38	38.59	38.84	38.93	Rostov-on-Don	25.94	56.14	26.28	26.44
Omsk	50.80	59.08	59.34	59.54	Ufa	26.54	26.95	27.15	27.29
Samara	36.46	36.51	36.47	36.52	Perm	38.48	38.94	39.30	39.55

At the present stage of development, it is the major cities, being also the administrative centres, which provide at least 40% of regional retail turnover. This fact is explained by the presence of a highly competitive market and major retailers, as well as the attractiveness of the consumer market, not only for the population of a particular city, but also for the surrounding areas.

Over the past 20 years, there have been significant changes in the retail sector of major cities of the Russian Federation.

Firstly, interiors and architectural appearances have improved and the product range of trade enterprise has considerably expanded.

Secondly, new formats of retail trade have entered the market and have began to develop actively, such as shopping centres and multipurpose facilities that combine shopping, entertainment and other functions.

If we consider the development of the consumer market in the regional context, the development of trade at the level of the Russian Federation regions and cities is quite differentiated by product lines, price level, the level to which a population is supported by modern-format retail spaces), etc.

It should be emphasised that metropolises also carry out a consolidating function, forming the centres of inter-exchange processes at the same time as supporting the formation of a unified national economic, cultural, scientific and information space.

As mentioned earlier, there is a dependence between the size of the city and its socio-economic indicators; thus, the metropolises show a more dynamic and sustainable development. Population growth leads to an increase in the number of consumers, domestic market capacity and workforce size, which, in turn, allows the development of new internal functions and expansion of overall production oriented to external markets. Quantitative changes in population always lead to qualitative changes in the structure of the city. [24]

Under the conditions of the market economic system, the management of a city's image affects the service and infrastructure possibilities, but not its production specialisation. Currently, the country's metropolises comprise the "growing-points" of the economy, acting not only as service centres for the local population, but also as the centres of attraction for the inhabitants of the surrounding area. All of this serves to create a concentration of demand, differentiation and sophistication of the needs of population, as well as the entering on the market of major regional, national and global participants. Here, on the one hand, is concentrated the demand of "elite" consumers with a high level of income, and, on the other, the needs of consumers with low incomes. This provides additional momentum to the development of the domestic market, a change in the retail turnover per square metre of retail space as well as the number of consumer products and their structure.

Metropolitan consumer markets have an inherently complex structure. On the one hand, they are divided into a number of multi-level markets with different participants. Here are typically presented both small retail outlets and large shopping centres, which attract customers from different cities, regions and can serve as the elements of a city's external specialisation. On the other hand, markets of different spatial scales are coexistent: from local scale to national and international ones. It is noted that the structure of the most-populated city of a given RF Subject is more differentiated than the structure of the "second" and "third" cities. This is caused, on the one hand, by the demarcation of the entire city's territory within natural boundaries (forests, rivers, etc.), and, on the other, by artificial boundaries (administrative districts, places of concentration of cultural, historical, industrial, recreational, commercial and other establishments). At the same time, in order to develop and maintain the integrity of the city, major traffic arteries are constructed and maintained and many trade and services enterprises acquire a citywide significance and are routinely used by the inhabitants of the entire city.

For historical and economic reasons, the economies of the "second" and "third" cities of the RF Subject are less diversified compared to its capital. The limited number of major city-forming enterprises implementing industrial functions of the city and their considerable dominance over other companies of the city-forming sector conditions a high level of specialisation within the industrial employment structure of the city's economy, above the national average, and determines the higher level of unemployment.

Under contemporary economic conditions, city-forming enterprises have an impact on the number of those employed in the economy, on overall industrial production and investments, the average wage level, structure of local budget revenues and cost of fixed assets.

One of the indicators of the socio-economic development of the city, requiring attention from the public authorities and local governments, is the consumer market. In particular, questions of efficiency of the consumer market management increase under the conditions of significant intra-regional differentiation, which influences the forms of general laws of market development and implementation of the inter-regional economic relations. When the decisions have to be made not on the federal or regional levels but on the municipal one, this leads to a decentralisation of the management of the economy.

The main purpose of the consumer market is to meet the demand of the population for goods and services at a level sufficient for supporting normal human life in accordance with their income and consumer preferences. Accordingly, one of the most important goals of the city's economy is to achieve saturation of the consumer market, i.e. a balance in supply and demand of consumer goods.

Meanwhile, according to the author, the consumer markets of major cities have a number of specific features:

— increased standards in terms of the requirements of consumer market establishments;
— more differentiated structure of the consumer establishments;
— their role as "engines" for the formation of regional and national consumer markets;
— an increase in customer service due to nearby settlements and their intersection as relating to 'secondary' and 'tertiary' cities having proximity to the Subject's capital;
— intensification of the process of diversification.

The city's size and population have a significant impact on the volume and differentiation of supply and demand, which, in turn, determines the infrastructure and market conditions of the consumer market. In this regard, in defining the development priorities, structural changes to the consumer product range and dynamics become more important.

Data and Methods

The study in the changes of consumer market structure of major cities was carried out on the basis of grouping, analysis and synthesis methods.

In terms of the scope of the study, the author has chosen Perm Krai, Sverdlovsk and Chelyabinsk Oblasts, which are located in a common natural-climatic zone, connected by common historical paths of formation of regional economic complexes. These RF Subjects are characterised by a high level of industrial development. All the main traditional industrial complex branches are presented in the economic structures of the Perm Krai, Sverdlovsk and Chelyabinsk Oblasts. In this regard, of particular interest is the analysis of how the consumer market is developing in the cities, originating and functioning for an extended period of time as the largest industrial centres of regional and national importance.

In the consumer market of the studied cities in the period from 2007 to 2015, a number of changes took place, as evidenced by the data presented in Table 3.

As seen from the above table, in Ekaterinburg, Perm, Chelyabinsk, Nizhny Tagil and Kamensk-Uralsky, there is an increase in the number of retail establishments mainly due to stationary establishments. The value of the index of "average retail space of a store" is in most cases increased; the maximum increase of the index is defined in Perm (96.4 m^2) and the minimum — in Nizhny Tagil (24.9 m^2). It indicates a trend of the growth of stationary retail establishments. The exceptions are Ekaterinburg, where there is a reduction in the average retail area (–76.8m^2) and Chelyabinsk (–27.8 m^2). In all cities, there are a growing number of restaurants, cafes and bars, and a decrease in the number of canteens operated by educational institutions, organisations and enterprises. With regard to public canteens and snack bars, here, multidirectional dynamics takes place.

In turn, the index of concentration of stationary retail establishments ($I_{csrt2015}$) exceeds the index of concentration of non-stationary retail establishments ($I_{csrt2015}$). All of this points to an increase of both the number of participants in the market, including small ones, and a higher level of territorial access of retail establishments to the public. The exception is Nizhny Tagil, which is caused by a sharp increase in the number of non-stationary retail establishments, as well as an increase in the area of the municipality. In addition, these cities are characterised by the growth of the competition level and the prerequisites for increasing saturation of the consumer market of retail establishments.

It should be noted that the consumer markets of regional metropolises are an attractive platform for operators of networks at regional, federal and international levels. The capitals of RF Subjects have a large area of potential demand, i.e., actuating the so-called agglomeration effect. In addition, the unfavourable situation in the international market has become a specific accelerator for the development of the market, namely, the departure of inefficient participants, business consolidation through mergers, acquisitions and the arrival of major retail and catering establishments. All this has had a positive impact on improving the structure of the consumer market.

Changes in the consumer market of Magnitogorsk are based on the strong growth of non-stationary retail establishments (+265 units) and a qualitative change in the stationary trade, as evidenced by a slight decrease in the stationary retail establishments (–20 units) given that the average retail space of a retail outlet increased by 82.2 m^2.

Regarding the catering establishments, an increase in the number of restaurants, cafes and bars is observed (+72 units) in the analysed period with a significant increase in the number of canteens oper-

Table 3

Consumer market (cm) trends of the major cities of Perm Krai, Sverdlovsk and Chelyabinsk Oblasts

City		Ekaterinburg	Kamensk-Uralsky	Nizhny Tagil	Perm	Berezniki	Solikamsk	Chelyabinsk	Magnitogorsk	Zlatoust
Total number of retail establishments	$\Delta_{2015-2007}$	1650	111	722	1715	28	75	1182	245	47
	Rate of increase (%)	36,47	14,55	45,93	55,86	4,78	19,48	32,56	11,44	–4,58
Δnumber of retail establishments	**stationary trade**	1461	91	283	1172	106	71	784	–20	93
	non-stationary trade	189	20	439	543	–78	4	398	265	–140
Growth rate of the total quantity of retail space of retail establishments		19,26	49,82	50,99	114,74	79,88	49,67	25,22	31,72	44,67
Δ average retail space of the store		–76,8	49,5	24,9	96,4	78,3	34,5	–27,8	82,2	29,1
ΔI_{cm2015} of stationary retail establishments		1,282	0,636	–0,676	1,458	0,250	0,422	1,567	–0,077	0,786
ΔI_{cm2015} of non-stationary retail establishments		–0,623	–0,719	–0,094	–0,240	–0,306	–0,148	–0,714	–0,972	–2,672
Total number of catering establishments	$\Delta_{2012-2007}$	269	–3	–3	252	33	15	–149	20	–22
	Rate of increase (%)	18,25	–1,78	–0,68	17,03	34,38	16,85	–12,30	4,78	–14,38
Δnumber of catering establishments	**public canteens, snack bars**	–111	–10	5	49	4	0	–356	16	–13
	canteens run by educational institutions, organisations, industrial enterprises	–52	–10	–52	–242	20	0	–37	–68	–21
	restaurants, cafes, bars	432	17	44	445	9	15	244	72	12
ΔI_{cm2015} with respect to the base period of public canteens, snack bars		–0,097	–0,070	–0,103	0,060	0,009	0,000	–0,711	0,040	–0,110
ΔI_{cm2015} with respect to the base period of canteens owned by educational institutions, organisations, industrial enterprises		–0,045	–0,070	–0,351	–0,303	0,046	0,000	–0,074	–0,176	–0,177
ΔI_{cm2015} with respect to the base period of restaurants, cafes, bars		0,378	0,120	–0,019	0,554	0,021	0,090	0,487	0,180	0,102

Composed and calculated by the author based on the data of the Federal State Statistics Service and local government reports

ated by educational institutions, organisations and industrial enterprises (–68 units). The increase of 16 public canteens between 2007 and 2015 is not significant.

The cities of Perm Krai, which form the Bereznikovo-Solikamsk polycentric agglomeration, show similar trends in terms of consumer market stagnation. In these cities, the increase of retail trade is due to the increase in the number of stationary retail trade (106 units in Berezniki and 71 units in Solikamsk). Significant changes were observed in the catering sector. Thus, in Solikamsk, the changes affected only restaurants, cafes and bars (an increase of 15 units). The index of concentration of public canteens and snack bars, as well as canteens owned by educational institutions, organisations and industrial enterprises, remained unchanged. In Berezniki, the increase in the number of catering establishments is based on the increase in the number of canteens operated by educational institutions, organisations and industrial enterprises (+20 units).

On the consumer market of Zlatoust, a reduction in the total number of retail establishments is caused by the decrease in the number of non-stationary retail establishments, while the stationary trade has been developing. Moreover, an increase in the number of stationary retail establishments is accompanied by an increase in the average area of retail outlets, indicating business consolidation and/or new participants entering the market. Competition between trade enterprises is moving to an entirely new level in terms of consumer focus, leading to an increase in the proportion of retail space using advanced trading technology.

The total number of catering establishments in Zlatoust has varied slightly. A significant change in both the number and index of concentration has taken place with regard to canteens operated by educational institutions, organisations and industrial enterprises. The number of public canteens, snack bars, restaurants, cafes and licensed bars also varies. An increase in the number and concentration of restaurants, cafes and bars is identified.

The conducted analysis has allowed consumer market trends of major cities of Perm Krai, Sverdlovsk and Chelyabinsk Oblasts to be identified as well as a series of recommendations for government and local authorities for diversifying the consumer markets of studied cities to developed.

Firstly, the definition of the need for retail spaces should be based not only on their total quantity, but also be examined in the context of their specific variety. The differentiated territorial approach should also be used to designate the expected results from the diversified development, since, given a high level of socio-economic differentiation, the expected results should be assigned taking into account the specifics of the territories.

Secondly, special attention should be paid to the integration of rural producers and processing enterprises with trade organisations and food organisations. This will contribute to the supply of population with fresh and quality products and ensure food security in the region.

The insufficient number of commercial and storage establishments, the presence of a large number of intermediaries, as well as the weak economic ties between producers and retail organisations, have a negative impact on the product range, price affordability, quality of goods and food security.

Third, in the process of urban planning, it is necessary to provide assignment of necessary land plots and areas for wholesale and retail markets, providing the population with fresh and quality domestically produced products. Furthermore, this measure will make possible to obtain some positive results:

— the reorientation of the Russian market to the domestic producers, with a gradual decrease in the share of imported goods on the consumer market;

— empowerment of individual agricultural producers to sell their products

— providing individual stores with opportunities to purchase products directly from agricultural producers and thus improve their competitiveness in comparison with network operators having their own logistics network.

Fourthly, it is necessary to study the structure of retail trade and the extent to which a population is supported by it as well as to monitor the current state of the consumer market in order to identify “weak spots” and define priority trends for its development in the medium term. In particular, an annual review should be carried out into the extent to which a population is supported by modern-format retail spaces and retail establishments. Additionally, a review into the concentration of stationary and non-stationary establishments within the boundaries of municipality should be carried out.

Fifth, local governments should provide the conditions for the creation and development of socially oriented retail establishments by providing preferential rental rates, the targeted allocation of non-residential spaces and land plots. In this case, the tenant must comply with the restrictions in terms of prices, a wide range of products and quality of service.

Conclusion

The analysis of theoretical approaches to the "consumer market" category have provided the possibility to reveal the factors that have a significant impact on the consumer market development trend, but are not reflected in scientific works, as well as to present the author's suggested approach to the category. In turn, the dynamic analysis of the consumer market using key indicators of a major city in the period from 2007 to 2015 has allowed their development trends to be revealed and recommendations for the state authorities and local government to be formulated concerning consumer market development priorities in the medium term. The practical application of the recommendations will provide an opportunity not only to improve the current state of consumer markets and to increase the satisfaction level of public demand in goods, but also to partially solve problems relating to the socio-economic development of the studied cities.

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