

THEORETICAL BASES OF MODELING OF DEMAND FOR PRODUCTION OF THE ENTERPRISE

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Demand is in proportional dependence on the price therefore major factors that influence it are price factors. Traditionally among price factors of demand are the rate of interest, foreign-funded procurement activities, wealth of the population. Among non-price factors are number of buyers, the income and expectations of consumers, the prices of associated goods, the capacity of the market, environmental conditions. In literature there is another more expanded approach to systematization of factors of demand according to which they are divided into objective factors (economic, social, demographic) and subjective factors (psychological-traditional, esthetic, natural and climatic).

Dynamically changing environment of the enterprise is also characterized by emergence of new factors of influence and establishment of new interdependence between demand and the price. Especially this problem is actual in the conditions of limitation of financial resources both at the population and at the enterprises. The solution of this problem would allow making optimum management decisions concerning planning of business capacity and quantity traded as well as forecasting of the income of the enterprise. This isn't about emergence of essentially new factors defining demand, it is about change of some priorities, that is in certain market conditions influence of one factors weakens and influence of others amplifies.

Demand as market process can be reflected in a type of models. Mathematical, graphic and verbal models are considered to be the most widespread models intended for the description of the market phenomena. The review of specialized sources allowed to draw a conclusion that demand is most often displayed by means of graphic and mathematical models. An example of traditional graphic model is the curve with a negative grade displaying dependence between demand and the price. Formulas (mathematical expressions) providing the accounting of different forecasts and assumptions act as mathematical models.

Demand modeling as display of market processes has huge value for management practice. A variety of approaches to modeling allows choosing the one suitable that would consider specifics of goods and operating conditions of the enterprise.

Keywords: demand, needs, modeling, model, factors, usefulness of production.