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### MANAGEMENT OF SPATIAL INTERACTION OF COMMERCIAL ENTERPRISES IN VIEW OF CONSUMER PREFERENCES

Location of a commercial enterprise is a key element of effective interaction of the seller to the consumer because it is a fundamental factor of the buyer's choice. It provides retailer a sustainable competitive advantage. The level of prices, product range, product quality, quality service, operation, interior design, advertising and additional services – it is all relatively quick changes, unlike the commercial enterprise location, which advantage cannot be reproduced by its competitors.

For the retail enterprise strategy, the choice of location of its activities implementation is based on several important factors. This is associated with the ratio of price and value of the considered object. These factors are identified in the process of marketing research.

There are a number of developed spatial models for the investigation of the consumers' behaviour. They are based on consumer preferences, geographical location, and competitive environment. These models are called spatial interaction models. They are divided into two classes: geographic and probability.

These models are formally applied for searching for a competitive position of the commercial company. However, they do not count current consumer requirements for entrepreneurs. That, in turn, is the

rationale for the expansion of existing models of the search for a specific place for business, taking into account today's consumer preferences.

The widest use for solving the problem of determining a consumer appeal has acquired Huff model. It integrates Reilly's law of retail gravitation and Lewis's probabilistic method. This method was proposed in 1963 by David L. Huff for searching the optimal location for the store by the criterion of maximizing revenue. However, considering this model in terms of the aspects of consumer appeal, we note the following: insufficient description in the modern conditions of infrastructure, marketing, and the environment.

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