

The differences in age, income level, purpose of travel, form a different perception of such factors as price, quality of service, schedule, etc. However, trying to satisfy the diversity of consumer requests in the unfavourable conditions of the environment, the air carriers will, eventually, offer quite a similar set of services, sometimes of poor quality, that does not allow them to speak about competitive advantage.

Thus, Ukraine faces an acute need for new solutions that would help the airlines, which operate on domestic routes, run their business successfully and to meet the requests of passengers. The one type of solution is called low-cost operating model. The introduction of this model is confirmed by a number of market research.

Foreign airlines do not risk to open new routes in Ukraine today, but connections with major European cities has already been established and passenger traffic is made up.

Development of low-budget airlines is an important and relevant aspect in the domestic air transportation market of Ukraine. Unfortunately, not everyone can afford spending a significant amount of money on airfare. The technique of low-cost provides the minimum prices for tickets and designed for people with low and middle incomes.

Nowadays the development of low-cost airlines in Ukraine is a very vital issue. Pricing policy of low-cost airlines is focused on:

- people, who have serious problems with their health (as they require urgent treatment and cannot use other types of transport);
- people, who want to save a lot of time and money on air transportation;
- people with small children and aged people who have difficulty withstanding the moves for the long haul;
- business people.

*Scientific supervisor: Anpilogova T.V.,
Senior Lecturer*

UDC 330(477):339.92 (043.2)

Teslia O.V.

National Aviation University, Kyiv

MULTINATIONAL CORPORATIONS IN UKRAINE

Nowadays multinational corporations are the driving force of globalization.

These companies play a leading role in the internationalization of production, the process of expanding and deepening productive ties between enterprises in different countries. At the beginning of the third millennium, the international production of goods and services within multinational corporations amounted to

7% of world GDP. The multinationals occupy leading positions in world production in the sectors of electronics, automotive, chemical and pharmaceutical industries. Hopes and disappointments of most countries are related with TNC activities, as these corporations have created a developed network of industrial, scientific, technical, investment, trade and cultural interdependence of countries and laid the foundations of the global economy.

The following industries are the most attractive investment in our country among foreign investors: food industry and processing of agricultural products – 15.7% of the total investments to Ukraine; trade – 15.6%; financial sector – 8.5%; engineering – 8.0%; transport – 7.6%; metals and metal products – 5.4%; real estate – 4.6%; petrochemical industry – 4.1%.

The impact of transnational corporations on Ukraine's economy can be assessed from with positive and negative sides. A positive side of TNC is the revival of competition and improvement of the quality of national products. Corporations play an important role in the implementation of international standards in the sphere of production of goods and services and in training qualified personnel. This increases the productivity of companies. Activities of TNC force national companies to invest in developing new technologies, to reduce costs and improve competitiveness.

The negative side is the reduction of production or closing of local businesses that cannot compete with powerful transnational companies in terms of capital.

Also, the impact of transnational corporations on the wealth of national consumers is measured ambiguously. On the one hand – the market is full of various goods and services and on the other – the multinationals in the our economy are focused on creating distribution networks and promoting their products in Ukraine.

The creation of international corporations in our country, despite the proper legal basis, is at an early stage.

It can be concluded that the creation of multinationals in Ukraine will help:

- protecting the interests of Ukraine`s economy;
- transfer of know-how that will allow to modernize production;
- attracting national producers to the international division of labour.

Creation of multinationals in our country has a positive impact on the protection of economic interests of our country and the further development of the economic structure, integration of production and capital, attracting Ukraine into the world economy.

For Ukraine, in terms of public policy, it is advisable to take advantage of the economy from transnationalization, but provide the protection of national companies in some industries and create conditions for the national companies on foreign markets.

*Scientific supervisor: Anpilohova T.V.,
Senior Lecturer*