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Strategies for achieving global competitiveness of transnational companies

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Abstract

The paper discussed strategies for achieving the global competitiveness of transnational companies. Under the influence of geopolitical turbulences, global economic uncertainty in global markets, and supply chain disruptions international businesses modify their business plans in reaction to shifting conditions.

The basic approaches of transnational companies' strategies to provide distribution of functions between the parent company and subsidiaries and branches, and the relationship between the overall corporate strategy and the development strategy of business units analyzed.

The most valuable and prosperous transnational company's strategies are analyzed based on the criteria definition. The use of various instruments, methods, and tactics of transnational companies determined. The application of a complex transnational strategy with specific features and peculiarities is considered.

Keywords: transnational company, transnational strategy, global competitiveness, value chains

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Introduction

The work aims to analyze the main strategies and the mechanisms of transnational corporations (TNCs) applied in the world markets of goods and services.

TNCs employ a variety of strategies, including hybrid, comprehensive, and mixed approaches, to penetrate new markets. The elements of local responsiveness, personalization, and global integration make up these tactics. TNCs provide business expansion, market share acquisition, and competitiveness maintenance techniques in the global economy. The ways that multinational firms implement local responsiveness, standardization, and coordination differ in terms of their forms and constituents relate to the strategic behavior of companies.

Businesses utilize transnational strategies, a subset of global growth strategies, to combine increased efficiency and cost savings with a high degree of responsiveness to local tastes. Because of their scale, scope, and international operations, TNCs are important players in the global economy. The United Nations Conference on Trade and Development (UNCTAD, 2020 b) estimates that 82,000 TNCs, including 810,000 overseas affiliates, exist globally. While the market valuation of individual TNCs exceeds USD 500 billion, analysts estimate that the export of goods and services by TNCs' international affiliates accounts for about one-third of all exports. The range of annual sales is $150 billion to $200 billion.

Multinational companies choose strategies that allow them to operate effectively and competitively in the global economy. They combine elements of various strategies to achieve advantages in prices, costs, and market positioning.

TNCs' transition from primarily operating within national borders to acting as interconnected global entities is marked by the transnationalization of their international interactions. This phenomenon determines the processes of deepening interconnectedness of economies and interdependences of social-economic relations. The increasing complexity and interconnection of a company's relations and operations across different nations and regions define the necessity for TNCs to adapt to and prosper in this intricately interwoven global landscape, reflecting the growing interdependence of economies and societies around the globe. The growing interdependence of the global economies highlights the need for TNCs to adapt and thrive in these interconnected global relations.

The globalization of production and the international division of labor form the foundation of the global production of goods and services. The choice of TNC strategy is crucial for the efficient functioning of multinational companies. Using the most recent achievements in digital technologies, companies create network structures of administration and interaction to coordinate the activities of their affiliates.

TNCs combine joint ventures and factory units into a single global management network. To increase their financial and political influence, they integrate production, technology, suppliers, and financial networks with TNCs.

Transnational corporate linkages are the primary participants in this process of the exponential expansion of the contemporary global economy. The latter's worldwide expansion has resulted in increased competition from other companies in domestic markets and a notable infiltration of its subsidiaries into other nations.

Nowadays, every major process that occurs in the global economy involves multinational business participants. TNCs concentrate the international production, capital, and R&D expenditures and apply modern forms of marketing, management, and sales in affiliates and subsidiaries. The last uses uniform standards and principles in the supply chain of goods and services from the parent company.

The creation of overseas affiliates through foreign direct investment (FDI) and financial flow optimization are the main characteristics of TNCs. These are tax burden optimization, transaction cost reduction, and capital arbitration, which maximizes the TNC income operation. Technology gave rise to TNCs, and the primary driving force behind the creation of foreign affiliates was the requirement to market and provide technical support for sophisticated modern products abroad, which in turn required the availability of commodities and the resulting network of enterprises in host countries.

The development of economic relations across all facets of international business has been facilitated by the financial markets' growing influence on TNCs' global operations. The competition between domestically owned-enterprises and foreign-owned firms has become more intense. It is explained by the location of manufacturing and marketing outside of the parent business, as well as the intensification and expansion of activities amongst subsidiaries. TNC affiliates' financial operations in their home nations are mandated by the international business plan.

The pandemic COVID-19 negatively affected the TNC's activities in the global market, resulting in a reduction in production in affiliates and subsidiaries, disruption of supply chains, and deterioration of trade relations.

On average, the top 5000 multinational enterprises (MNEs), which account for a significant share of global FDI, have seen downward revisions of 2020 earnings estimates of 9% due to COVID-19. The hardest hit is the automotive industry (−44%), airlines (−42%), and energy and basic materials industries (−13%). Profits of MNEs based in emerging economies are more at risk than those of MNEs in developed countries; profit guidance for the latter has been revised downwards by 16% (UNCTAD, 2020 c).

The problems of mistrust in global trade and international collaboration reflect the escalation of the main issues facing policymakers today: the intensifying climate crisis, poverty and inequality, and a shift in the geopolitical environment with security implications. When taken as a whole, the economic activity indicators of TNCs provide a thorough understanding of a business's financial stability, capacity for expansion, and effects on the economy and society. The company’s economic activity is characterized by high labor productivity indicators and significant expenditures on R&D in comparison with domestic companies. Stakeholders, investors, and analysts can make more informed judgments about the performance and potential of the company by analyzing these data.

World Bank forecast for 2023 indicates a deteriorating trend in the global conjuncture. The World Bank forecast points out that global growth will slow from 2.9 percent in 2022 to 1.7 percent in 2023. Inflation will rise, the monetary policy will become tighter, and financial uncertainty and geopolitical instability (Khadan & Hill, 2023). The slowdown of global economic development causes the contraction of world production, and world trade, decreases incomes, and can result in global recession. Political tensions, supply chain localization, and climate changes affect the TNC's policy and strategy of affiliates and subsidiaries placement.

Scientists Gao, Meng, Suder, Yed, and Sune (2023) highlight the new tendencies compared to domestically owned enterprises. Foreign-owned firms' R&D expenditures have increased in China despite the effects of the COVID-19 pandemic. The R&D spending as a proportion of GDP reached 2.54 % in 2022. The share of foreign-owned enterprises accounts for a very modest percentage of overall corporate R&D. Expenditures on research and development have grown more network-like and diverse in terms of industries and countries (Gao et al, 2023).

The convergence of foreign-owned and domestic firms' R&D expenditure trends can be attributed to factors such as globalization, technical improvements, and changing market dynamics. These tendencies are shaped in large part by government policies, competition, and teamwork, which ultimately promote economic growth and innovation.

TNCs apply various strategies for gaining access and staying in the international market, including market research and adaptation, technological innovation, strategic partnerships and alliances, efficient supply chain management, etc.

Theoretical and empirical analysis of the main strategies of TNCs under the influence of globalization demonstrates a change in the distribution function between the parent company, and subsidiaries, and the relationship between different types of strategies, including corporate strategy of the company, strategies of business units, innovation strategy of international companies. A company's direction, market positioning, and capacity for change in response to the ever-changing business environment are significantly influenced by each of these strategies. Their collaborative efforts aim to promote innovation and growth by guaranteeing coherence between the company's overarching targets and the distinct objectives of its various elements.

The search for an optimal company strategy is one of the most important instruments to increase the competitiveness of TNCs and to occupy a significant market share. The author’s contribution consists of the systematization and estimation of TNC strategies, and the identification methods, and elements for TNC's comprehensive strategy.

The paper consists of a literature theoretical exploration of TNC strategies and instruments used in the international markets for goods and services. The **competitive strategies of TNCs are based on the data of** Global Economic Outlook 2022, UNCTAD, WIR 2022, World Bank, etc.

Literature Review

The ability of transnational corporations (TNCs) to successfully compete in the global economy is referred to as their competitiveness. These companies can beat their competitors, enter new markets, and maintain growth due to a variety of parameters. The competitiveness of a company is achieved at all stages and in all spheres of its activity, and the competitiveness of individual units can be sold (purchased) together with the implementation of individual units or the company. Diacunu (2012) highlights the combined aspects of a global and multi-domestic approach to partially adapt to local tastes while simultaneously seeking higher efficiency and reduced costs. Employing a transnational strategy allows businesses to partially adapt to local preferences while also pursuing increased efficiency and lower costs.

Based on the internationalization of production resources and the international division of labor the predicted global output of goods and services determines the TNC's efficiency. To coordinate the actions of its affiliates, TNC domains create networks of administration and engagement using cutting-edge information and communication technology.

Reisman (2017, p. 12) argues that globalization stimulates the movement of goods, services, labor, and capital, creating a market without national borders. The management of world business, coordination, and coordination of interests is carried out by the principle of the invisible hand. The world market is open to all, and participation in it is limited to the national interests of individual countries, which differ in their level of socio-economic development, degree of participation in the world division of labor, and functioning social institutions. The global market unites world markets and creates conditions for social consensus and political regulation both within and outside countries.

TNCs apply mergers and acquisitions (M&A) to merge factories, affiliates, and joint ventures into a single worldwide management network. The manufacturing, technology, financial, and service networks of TNCs, which wield enormous political and economic power, are then combined with this network.

The State effectively influences TNCs since governments hold considerable authority to establish regulations, mold the business climate, and affect the conduct and effects of large multinational corporations within their borders.

TNCs deliver risks related to political instability, economic crisis, or regulatory changes among many markets by operating in multiple nations. Companies diversify their risk exposure by dispersing their activities among several markets and nations. This lessens their reliance on a particular market or area, reducing the impact of localized risks like political unrest or economic downturns.

Jones (2000) draws attention to the TNC's capacity to collect rents from important shareholders, like states and workers. By giving them a substantially greater bargaining power over these groups a strength that supports the globalization process. Under some social-economic conditions, TNCs' competitive advantage can be interpreted as institutional mechanisms that prolong and take advantage of market imperfections for the benefit of stockholders rather than as facilitators of global allocative efficiency.

Scientists Zobov, Degtyareva, Starostin, and Chernova (Zobov et al, 2016) analyze the innovation strategy of international companies and point out the synergy effects of techno globalization. The transfer of knowledge, experience, and know-how to TNC affiliates, commercialization, and profit-making are among the main tasks of the parent company. The authors highlight the functional characteristics of TNCs. The functioning of a multinational company depends on the nature of the competitive environment. The authors identify the specifics of the impact of innovations on the national economy and propose their systematization by signs of home use (home-based exploiting) and extended application (home-based augmenting).

Another group of researchers Melnik, Kudurko, and Samsonova (Melnik et al, 2018, p. 24) stress the contribution of certain types of contractual relations to the macroeconomic indicators of countries. They consider the impact substantiating by the management strategy of TNCs affected by the organizational activities in the contracting and implementing countries.

Asheim &Vang (2005) argue the significance of management skills in high-tech industries but their scarcity in developing countries, even in those with a successful development strategy. Eaton & Kortum (2001) discuss the involvement and dependence of high-tech technologies on the labor productivity of the labor force involved in the creation of R&D.

Ivarsson & Johnsson (2003) discuss TNC strategies overseas in manufacturing affiliates. They mention a considerable impact on the volume and makeup of intra-firm trade. Efficiency-seeking FDI and market-seeking FDI demonstrate a positive correlation with intra-firm exports of completed goods and finished goods. The intra-firm trade proves the negative relationship with FDI focused on profitable assets and extraction of minerals.

Gao et al (2023) research the global value chains (GVCs) and analyze how value is created through the international labor division. The authors conclude that GVCs are more likely to be regionally organized and dominated by large countries and will be invaluable instruments for international politics. They propose to study other factors about TNCs' GVC governance and market strategies. The forms of companies' activities include transfer pricing, profit sharing, and intellectual property protection. These forms promote trade growth and FDI inflows. TNCs seek to reduce risks and any negative effects on their international operations by utilizing these tactics along with a variety of risk management techniques.

Empirical studies show that TNC affiliates in Brazil present a higher profile than local firms in terms of both innovative performance and R&D efforts. A high-tech firm is one whose primary source of wealth is its intellectual capital, which includes unique elements like highly skilled employees and intellectual property. The research stresses that technological orientation affects TNC affiliates by firm size, sector, and firm nationality in different ways. These impacts confirm a clear predominance of firm size as the attribute with greater explanatory influence (Franco & Carvalho, 2004). The problem tackles regulating multinational companies' activities. TNCs' size and wealth, ability to relocate, and infiltration of the political arena have allowed them to evade any substantial regulation. Nicula &Nicula (2015) argue that it is not too late to start holding TNCs accountable for their activities so that the welfare of society is given preference over short-term profit.

Multinational companies engage in a variety of cross-border operations that contribute significantly to the global economy The literature review depicts the existing multiple approaches for the classification of TNCs strategies based on various criteria. International companies choose and define strategy from the basic concepts of the corporate strategy, business unit and international strategy. The market share penetration, rivals, global supply chains, corporate social responsibility policy, R&D practices, and management skills refer to factors when the multinational company chooses a strategy to reduce risks and maximize profits. The efficient strategy aims to eliminate any negative effects of international operations and turbulences in the global market. TNCs apply combined strategies and risk management techniques to be competitive and efficient in the international market.

The competitiveness of TNCs in the conditions of multi-crisis

The article examines factors, methods, and mechanisms of the TNCs strategy, systematizes competitive approaches of companies, and emphasizes the criteria for achieving sustainable competitive advantages.

The ability of TNCs to successfully compete in the global economy is referred to their competitiveness. These companies can prevail over their competitors, enter new markets, and maintain growth due to various factors.

Compared to the competition, the issue of competitiveness is less developed in the economic literature. In the most general sense competitiveness is the ability to stay ahead of others using your advantages to achieve your goals. Basic modern theories of firm competitiveness are associated with different approaches to the analysis of potential capabilities. In the original concept, researchers associate the company's competitiveness with external factors of the company related to the industry and country of residence (Nosova et al, 2017). Another direction of scientific thought covers theories of the firm's competitiveness. These theories align its competitiveness with internal factors characteristic of the firm. The third direction of scientific theories links the competitiveness of firms with existing and developing capabilities, skills, and competencies. These theories are related to a dynamic view of competition and the behavior of the firm.

The concept of "blue oceans" was put forward in 1994 by scientists Chan Kim &Renee Mauborgne. The goal of the "blue ocean" strategy is to simultaneously stand out from the competition and offer inexpensive prices to take over new markets and generate demand.

A broader approach to evaluating the companies’ activities, in which both competition and cooperation are equally important, demonstrates the theory of entrepreneurial ecosystems by J.F. Mura (Thai et al, 2023). An attempt to explain the phenomenon of simultaneous competition and cooperation of firms, which is often found nowadays, was made by A.M. Brandenburger and B.J. Nailbuff, who proposed the theory of "co-competition" based on game theory (Heits et al, 2023).

In the current environment, there are various levels of rivalry and company interaction across economies with varying degrees of maturity and consolidation, as well as varying entrance barriers and the degree of differentiation of the provided goods and services.

The competitiveness of TNCs is a concept that reflects the ability of a transnational firm to gain market positions on a global scale, to maintain, strengthen, and expand them compared to competitors.

The notion of MNC competitiveness is a broader category than efficiency or productivity. The competitiveness of TNCs is a relative concept, therefore competitiveness can be achieved not only by improving the company's activities but also by using various measures to suppress competitors, which is widely practiced in competition.

There is some peculiarity in TNC competitiveness as compared to national enterprises' competitiveness. It has to do with the global reach of TNCs' production and sales, the intricacies of operating in several national markets, and the utilization of various nations' and industries' comparative advantages. The high degree of transnationalization of production and capital of the largest TNCs and the presence of subsidiaries in countries is an important competitive advantage of TNCs.

The country of origin of the TNC acts as a source of competitiveness, especially for the parent manufacturing company at the initial stage of the company's development.

The competitive environment of the base or host country, such as the availability of resources, labor costs and qualifications, production conditions, financial and technological infrastructure, market accessibility, and institutional and regulatory factors, all define TNCs' competitiveness as their operations become more globalized.

The relationship between the competitive advantages of the parent firm and the competitiveness of the nation where it is situated is eroding as TNC operations become more globally distributed. The use of worldwide competitive advantages by TNCs is growing. A variety of internal and external factors that are specific to the organization have an impact on TNCs' ability to compete.

The basis of the competitiveness of TNCs lies in achieving and maintaining a significant market share, focusing on a small number of highly profitable goods and services that have sustainable competitive advantages, developing products that build consumer loyalty, creating global brands, and increasing the efficiency of R&D.

The competitiveness of TNCs is a dynamic, multifactorial relative characteristic associated with both the current state of the company's competitive advantages and its potential and the direction of the company's development. The competitiveness of the TNC is ensured by the optimization of individual activities and the management of the entire value chain, which goes far beyond the TNC itself but is tightly controlled by it.

The success of the company in the competition on the world market is determined by the key factors of competitiveness, and for most of the largest industrial TNCs, it depends less and less on the available material assets and is determined by internal and external competencies and dynamic capabilities. Key factors of competitiveness (key competencies) of TNCs are the main abilities, skills, resources, methods, business culture, and other characteristics of the company that affect its competitiveness. These factors may differ for TNCs in different industries (Nosova, 2023).

In the conditions of the worsening international conjuncture, the number of "aggressive" and "hostile" acquisitions and, consequently, the reduction of "friendly". At "aggressive" acquisitions, TNCs initially buy shares of a foreign company on the stock market and then enter interaction with the general shareholders' meeting. The result of "aggressive" absorption is a complete change in the heads of the consuming company. In the case of a "friendly" acquisition, the agreement is reached between the managers of TNC and shareholders of the consuming company for the purchase and sale of shares. Then shares of this company are exchanged for shares of TNC. Another option of "friendly" acquisition is acquisition in the form of transfer of the controlling stake of TNC to trust or trust management (Acharya & Keller, 2007).

Throughout the last fifteen to twenty years, cross-industry capital transfer has become more intense, even in the service sector, which is a significant aspect of TNCs' competitive battle. The TNC's competitive advantage derives from streamlining certain processes and overseeing the full value creation chain, which extends well outside its boundaries yet remains closely under its strict supervision.

When TNC operations are justified and optimized, the diversification process fosters a synergistic impact that raises TNCs' competitiveness. The competitiveness of the TNC, the life cycle of the product, and the life cycle of the international company are interdependent processes. The competitiveness of TNCs has a cyclical character and goes through phases of rise, growth, maturity, and decline.

The main criteria for the competitiveness of TNCs are the share of the global market, the dynamics of sales volumes, the amount and rate of net profit per employee of the company, the degree of financial stability, and market capitalization.

To achieve superiority over competitors, TNCs use various methods of unfair competition and restrictive business practices. They include the following forms: establishing control over the competitor's activity to stop this activity; abuse of a dominant position on the market; imposition of discriminatory commercial conditions; establishing the dependence of the supply of specific goods or services on the adoption of restrictions on the production or distribution of competing goods; price collusion etc. TNCs widely apply transfer pricing to ensure an advantage over national companies. The shift in the parent company's, subsidiaries, and branches' roles in guaranteeing competitive advantages is a key component of modern TNCs' competitiveness.

The competitiveness of the TNC is increasingly ensured due to the competent coordination of the activities of branches and subsidiaries around the world following the global competitive strategies developed and implemented by the top management of the TNC (See Figure 1). The activities of IS multinational demonstrate decrease of value added, expenditures for property, plant, and equipment in 2020. The consequences of COVID-19 result in production contracting. The R&D expenditures stayed stable nevertheless of the negative pandemic effects.

To ensure the competitiveness of TNCs, the leadership qualities and talent of top management are increasingly important. The role of the manager is to ensure the high competitiveness of the company. There are many examples of TNCs in various industries, when talented managers quickly achieved a significant improvement in the competitive positions of companies, as well as reverse examples, when mediocre management led to the stagnation and collapse of very large and successful international firms, such as the once powerful American TNCs General Motors, Chrysler, Polaroid, Eastman Kodak, Motorola.

Examples of competitive transnational strategies of TNCs can be seen in Walmart, Google, Unilever, KFC, and Costco. These companies vary strategies in their sectors, areas of expertise, and revenue generation.

The adoption of innovations became a crucial component of the US high-tech TNCs' competitiveness; it enabled the top businesses to make surplus profits from the distribution of intellectual rent, which is created through the monopolistic usage of more productive goods and technology.

Texas Instruments produces semiconductors and electronics; IBM, Microsoft, Hewlett-Packard, Dell, Apple, Oracle, and Cisco Systems are in the information sector; these companies are leaders in their respective fields; they are highly competitive, adept at utilizing a variety of competitive advantages, and engage in active international business.

Honeywell International, 3M are among conglomerates suppliers of equipment needed for hospitals.

Intel, Texas Instruments in the production of semiconductors and electronics, IBM, Microsoft, Hewlett-Packard, Dell, Apple, Oracle, and Cisco Systems in the information sector, which are leaders in their industries, skillfully use various competitive advantages, possess highly competitive and conduct active international activities.

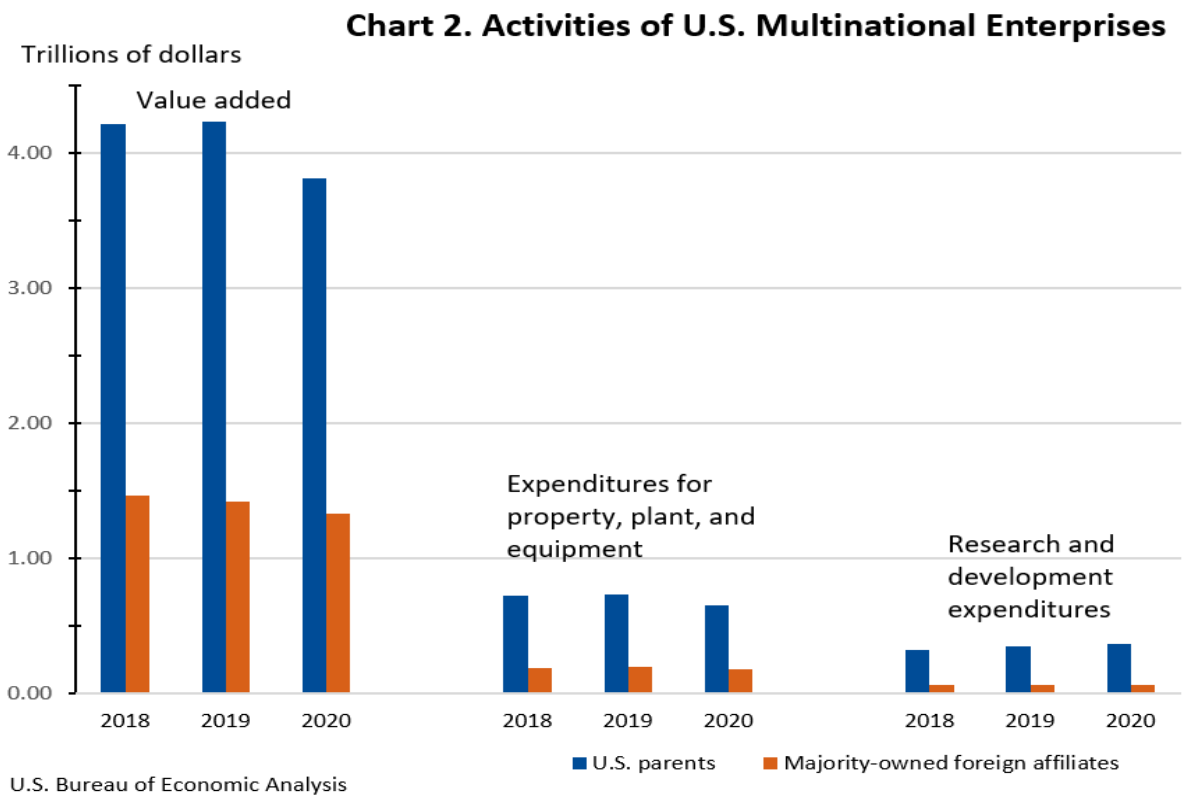

Fig. 1. Activities of US Multinational Enterprises

Source: US Bureau of Economia analysis data. https://www.bea.gov/news/2022/activities-us-multinational-enterprises-2020

In recent years, the leading high-tech TNCs of the United States have implemented an innovative and technological combination of competitive advantages: the growth of price competitiveness was positively influenced by global mergers and the transfer of production outside the United States, and innovative ones by successful R&D and significant demand in the domestic market of the United States. Apple ($2.95 trillion), Microsoft ($2.52 trillion), Alphabet ($1.59 trillion), Amazon ($1.33 trillion), NVIDIA ($1.06 trillion), Tesla, ($813.2

billion), Meta Platforms ($739.9 billion) are the most valuable and competitive companies in the world, with highest market capitalization share (Lu, 2023).

The German innovation model demonstrates a leading position in the location for innovation, and technological advancements by seizing chances for new business models. In 2019, the financial industry became the leader – it accounted for up to 35% of all international agreements. Around 33,700 companies in Germany are continuously active in R&D; more than 181,400 companies regularly bring new products and services onto the market**.** German companies invested around 72.1 billion euros in research and the development of new products and services in 2018. The total amount of investment that goes into innovations, from their development to their launch onto the market, stands at around 172.6 billion euros. The core elements of High-Tech Strategy in Germany include the following directions: 1. priority challenges concerning value creation and quality of life, 2. networking and transfer, 3. the pace of innovation in the industry, 4. innovation-friendly speaking, 5. transparency and participation. In the conditions of intensifying global innovation competition and international markets, search TNCs are becoming more flexible in choosing locations for R&D. The increase in the opportunity for radically new, market-changing products and services by utilizing opportunities for new business models will be able to maintain Germany's leading position in international markets (Research and Innovation that Benefit the People, 2022).

The complex transnational strategy: policy options

The authors have exposed the impact of institutional, political, and economic constraints on the investment activity of TNCs in the international markets of finished and auxiliary products. The use of flexible covert contract forms, ancillary production, licensing, franchising, and contract management facilitates the externalization of TNC business operations. Companies develop new strategies for obtaining competitive advantages under the influence of exogenous factors, the institutional environment of recipient countries and endogenous factors, spheres of activity, corporate policy, and professional competencies.

Table 1. The classification of transnational companies' approaches and strategies

No	Type of transnational companies' strategy	Features, applied methods	Company	Sector	Country	Market capitalization (billions)
1	Market Research	Market share	Procter &Gamble Co	Consumer Discretionary Sector	USA	$344
2	Technological Innovation	Technological competitiveness	Apple Inc.	Information, Technology	USA	$2,777
3	Strategic Alliuance and Partnership	Expansion and market entry	Starbucks Microsoft	Coffee Retailer Information, Technology	USA USA	$108,6 $2,382
4	Efficient Supply Chain Management	Expansion operations	Toyota	Motor vehicle production and sales	Japan	$220
5	M&A	Market expansion and market entry Business attractiveness	Coca-Cola	Beverages	USA	$262
6	Risk Management	Expansion operations	JP Morgan Chase & Co	Financial Sector	USA	$460
7	Corporate Social Responsibility	Expansion operations in environmental issues	Unilever	Food and Beverages Products and Consumer Goods	UK	$119
8	Agile Decision Making	Expansion operations	Netflix Tesla	Entertainment Services Automotive and Energy Sectors	USA USA	$201.3 $753.4
9	Localization Strategy	Market share	Unilever	Food and Beverages Products and Consumer Goods	UK	$140,02
10	Customer -Centric Approach	Market share	Amazon	Retail Trade, Internet Retail	USA	$1,385

Source: Author approach, based on TNCs data profiles.

The classification of transnational companies' approaches and strategies comprises the following criteria: type of transnational companies' strategy, features, applied methods, company, sector, and market capitalization (See Table 1). The results stress that the top TNCs in 2023 such as Apple, Microsoft, Amazon, and Tesla apply complex transnational strategies. It is characterized by diverse features, instruments, and methods. The complex strategy combines elements of different strategies that promote TNC activities to customize the market opportunities and drive business growth.

To comprehend consumer behavior, tastes, or trends in the digital sphere, Google conducts a lot of market research. It gathers information via its search engine, advertising networks, and other goods to improve user experiences and create new services.

P&G applies a market research strategy to better understand consumer preferences for its wide variety of home and individual care products and makes major investments in market research. It innovates and customizes products for P&G's particular markets using this knowledge.

Apple's approach is focused on innovation strategy, user experience, ecosystem integration, and a dedication to providing superior, user-friendly goods and services. This strategy stimulates the growth of Apple in the technological sector and allows it to hold its position as a leader in technical innovation.

Starbucks and Microsoft emphasize the advantages of the strategic alliance and partnership strategy application. It increases the capabilities of the company after mergers and alliances to enter new markets and reach economic growth. Starbucks has partnered with a few businesses in strategic alliances. Its market penetration and brand awareness have been aided by collaborations with Nestlé, a company that packages coffee, and with numerous airlines and retailers worldwide.

Microsoft and Adobe established a strategic agreement through the merger of their software offerings. Their partnership has produced integrated solutions for clients and collaborative cloud service offerings.

Toyota applies an efficient supply chain management strategy. The company operates a manufacturing supply chain to cut down on waste and guarantee prompt delivery of premium cars to customers around the world.

The global M&A market activity continued to grow. In the conditions of globalization and internationalization, M&As become the main source of obtaining competitive advantages for corporations regarding the possibility of rapid formation of investment portfolios due to the attraction of local assets of different countries, reception of new sources of raw materials, integration of stages of the production process, development of new markets, application of new markets. Coca-Cola applies an M&A strategy to market entry. The company assesses its business attractiveness strategy and has acquired several beverage brands throughout the world to diversify its product line and penetrate new markets.

JPMorgan Chase & Co uses strict protocols, analytics, and a variety of tools for risk assessment to control financial risks and guarantee regulatory compliance,

Netflix has a quick decision-making process, which shows how quickly it adjusts to shifting consumer preferences and the ever-evolving entertainment market. Its capacity to invest in original programming and change course content strategy is indicative of its agile decision-making strategy.

Tesla's agility in the electric vehicle market demonstrates its capacity to make quick decisions in response to technical improvements and market demands through its quick innovation cycles, software updates, and flexible manufacturing methods.

Unilever prioritizes corporate social responsibility emphasizing social impact and sustainable sourcing.

Amazon focuses on the needs of its customers, gathers, and examines user data to better user experience with its services, makes recommendations that are tailored to each individual, and improves overall purchasing.

With the overall goal of creating a strong market position and long-term growth, multinationals apply a complex competitive strategy. The classification of TNC strategies highlights the features, applied methods, company, sector, and market capitalization of successful TNCs. These results demonstrate efficient companies in various sectors with high market capitalization. The analysis of TNC strategies enhances skills improvement, fosters innovations, and contributes to the decision-making process within the company.

Theoretical research and analysis of the main strategies of TNCs under the influence of globalization show a change in the functions of the distribution between the parent company, subsidiaries, and subsidiaries, the relationship between different types of strategies, including corporate strategy of the company, strategies of business units, innovation strategy of international companies. The search for an optimal company strategy is one of the most important tools to increase the competitiveness of TNCs and to occupy a significant market share.

Most TNCs have adopted complex transnational strategies whereby firms transform their geographically dispersed subsidiaries and fragmented production systems into global or regional value chains. In terms of uncertainty, and unpredictability in the behavior of major TNCs, and forces them to adapt their strategy to the new international environment. The most valuable and successful TNCs apply the numerous elements, and tools of various transnational strategies that promote them reaching the business goals of the company.

Conclusions

A study of the application of the various strategies of TNCs shows that a complex strategy application improves the competitiveness of the company in certain areas of production and services. A strategy of international mergers and acquisitions leads to a realignment of spheres of influence among the leading TNCs. The changing competitive position of large companies in global markets has been accompanied by a growing conflict of interests between large businesses and host governments. As a result, TNCs use a strategy of exit from this market, which leads to the closure of the company's branches, financial losses, and job losses. The search for an efficient TNC transnational strategy will enhance competition, knowledge creation and stimulate economic growth.

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