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MAIN
DIRECTIONS FOR FORMING MODERN INNOVATIVE BUSINESS

PRINCIPALES DIRECCIONES PARA FORMAR NEGOCIOS INNOVADORES MODERNOS

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ABSTRACT

Building innovative businesses in the modern era involves addressing multiple key dimensions that promote creativity and adaptability in a dynamic and competitive business environment. A fundamental direction lies in fostering an organizational culture prone to experimentation and continuous learning. By promoting a culture that values innovation, modern companies can foster an environment conducive to the emergence and implementation of disruptive and visionary ideas. Likewise, it is essential to establish agile and flexible processes that allow rapid adaptation to evolving market conditions. The ability to pivot quickly and adjust business strategies based on the changing demands of the business environment is critical to maintaining relevance and competitiveness in the modern marketplace. Considering this, the objective of this work is to analyze the formation process of modern innovative businesses, taking the production of synthetic detergents in Azerbaijan as a case study.

Keywords: Innovation, technology parks, economic integration

RESUMEN

Construir negocios innovadores en la era moderna implica abordar múltiples dimensiones clave que promueven la creatividad y la adaptabilidad en un entorno empresarial dinámico y competitivo. Una dirección fundamental radica en fomentar una cultura organizacional propensa a la experimentación y el aprendizaje continuo. Al promover una cultura que valora la innovación, las empresas modernas pueden fomentar un entorno propicio para el surgimiento y la implementación de ideas disruptivas y visionarias. Asimismo, es fundamental establecer procesos ágiles y flexibles que permitan una rápida adaptación a las condiciones cambiantes del mercado. La capacidad de girar rápidamente y ajustar las estrategias comerciales en función de las demandas cambiantes del entorno empresarial es fundamental para mantener la relevancia y la competitividad en el mercado moderno. Considerando esto, el objetivo de este trabajo es analizar el proceso de formación de empresas innovadoras modernas, discutiendo la posibilidad de su implementación en la producción de detergentes sintéticos en Azerbaiyán.

Palabras clave: Innovación, parques tecnológicos, integración económica.

INTRODUCTION

The formation of modern innovative business is directly related to the stages of development of national economies. It should be noted that the classics of economic theory classify the main stages of development of national economies in different ways, and therefore their attitude to modern innovative business is somewhat different. So, for example, according to the theory of economic growth according to Walt Rostow, the stages of development of national economies are divided into five stages: traditional society; society in the phase of transition to changes; stage of change; progress to the mature stage; and the era of mass consumption. At the same time, according to Walt Rostow, the main innovation processes occur at the 4th and 5th stages of development.

According to another classic of economic theory, Michael Porter, the stages of competitive growth of countries are divided into four stages: the stage, driven by factors; investment-driven stage; stage driven by innovation; stage driven by wealth. The most acceptable for modern innovative business is the second classification of the stages of development of national economies, because the third direction in it is a separate stage, driven by innovation (Mesarovic & Takahara, 1975). At the innovation stage, the importance of companies' strategies increases. Local companies develop an internationalization strategy, i.e., international and global strategies for their development (Hall, 1962). Almost all developed countries of the world are at the innovation stage. In this regard, the rapid growth of the national economy of the Republic of Azerbaijan gives us reason to come to the conclusion that our country will also reach a stage driven by innovations in the near future.

An innovative economy has the highest resistance to adverse external factors for it, as well as macroeconomic fluctuations. An innovative economy is distinguished by new methods of state regulation, among which indirect levers of influence on the national economy prevail. The state is then interested in stimulating the creation of developed factors, improving the quality of domestic demand, it promotes the development of new progressive sectors of the economy, and supports intra-industry competition. And as M. Porter correctly noted, the final and necessary condition for the transition to a higher stage of competitiveness is the ability to organize a new business, which is precisely an innovative business.

The study of foreign experience of state regulation of innovative activity deserves attention. In world practice, the following types of tax incentives are used to stimulate innovation: provision of research and investment tax credits; reduction of the tax on the growth of innovation costs; preferential taxation of dividends of legal entities and individuals received on shares of innovative organizations; reduction of income tax rates aimed at custom and joint research and development; communication of the provision of benefits, taking into account the priority of the projects being carried out; preferential taxation of profits obtained as a result of the use of patents, licenses; reduction of taxable profit by the amount of equipment value transferred by innovative organizations; and crediting part of the profit of an innovative organization to special accounts with subsequent preferential taxation in cases of use for innovative purposes.

Currently, there are three main types of models for the scientific and innovative development of an industrial enterprise (von Bertalanffy & Sutherland, 1974): 1) countries focused on leadership in science, on the implementation of large-scale targeted projects covering all stages of the research and production cycle (USA, England, France);

2) countries focused on the diffusion of innovations, on the creation of a favorable innovation environment, on the rationalization of the entire structure of the economy (Germany, Sweden, Switzerland) and 3) countries that stimulate innovation by developing innovative infrastructure, ensuring receptivity and achieving global scientific and technological progress, coordinating the actions of various sectors in the field of science and technology (Japan, South Korea).

The fourth type of model of scientific and innovative development, we would include those countries that are developing at a very high rate and are at the stage of developing large innovative projects. They include the Republic of Azerbaijan. Considering the above, the objective of this work is to analyze the formation process of modern innovative businesses, considering the synthetic detergents market in Azerbaijan as a case study.

DEVELOPMENT

Analysis of literature and problem statement

In the economic literature, competitive analysis is presented as an assessment and forecast of the opportunities and actions of competitors based on the study of the collected information and expert opinions (Abdullayev, 2020). Analysis of competitive situations in the context of liberalization puts forward the following goals and objectives: identifying actual and potential competitors, determining the number, type and size of competing firms, calculation of the market share occupied by competitors, characteristics of the intensity and direction of competition, identification of opportunities and competitiveness of

the main competitors in the market, their strategy, analysis, forecasting of the competitor's behavior in the market, and predictive assessment of the competitor's reaction to certain marketing actions (Hubka, 1973).

The analysis of the competitive environment is usually carried out in three directions: analytical- it includes non-contact methods of assessment (statistical characteristics); expert - methods of expert assessments, the construction of hypotheses and forecast options; simulation - the use of simulation models that are developed on the basis of marketing observation. However, in our opinion, the above sequence of competitive analysis, although to a certain extent applicable to the market of synthetic detergents, in general is more related to the "developed markets", where there is a high-grade competition. If we consider domestic market for synthetic detergents, it has not yet fully formed and requires a special approach.

Then, the idea of the main systems and factors that form the basis of economic growth of an innovative type allows us to formulate a model of regional innovation policy and to reveal the nature of interdependence between its constituent elements (see Table 1) in relation to the market of synthetic detergents (Asprey, 2002).

Table 1. Model of innovation policy and factor analysis of the main innovation systems of the market for synthetic detergents and similar products

Innovative systems	Stabilizing-factor Structural	Structural factor	Infrastructure factor
Innovator	Innovation potential	Scientific evidence and innovation	Audit infrastructure of innovation and innovative security
Organization	Innovation-market	Innovative active	Technology transfer infrastructure and communication system
Environment	Investment rationality and innovation climate	Techno-economic structure	Scientific and educational technical infrastructure

Source: own elaboration

The successful adoption of innovations primarily depends on the demonstration of the innovator's entrepreneurial skills and the level of development within the innovation-supportive environment (Buslenko & Averkin, 1972). This environment includes knowledge, along with the necessary material, natural, and labor resources required for the implementation of groundbreaking projects, the advancement of new technologies, and the manufacturing of science-intensive products. Such elements collectively form the fundamental components of the innovative potential, which can significantly impact markets, such as the synthetic detergents industry in Azerbaijan. In the context of industrial enterprises, similar barriers obstruct the process of innovation, affecting different sectors. These obstacles are often consistent across different industries and are extensively outlined in the provided table, reflecting the common challenges faced by businesses striving to introduce novel concepts and technologies.

Innovation within various industries is frequently impeded by significant economic constraints. These include the absence of internal funds, insufficient financial backing from the government, inadequate demand for new products, substantial innovation costs, and high economic risks. These economic factors collectively create substantial barriers for enterprises aiming to integrate innovative practices into their operations. Apart from economic factors, challenges related to production factors also contribute to the hindrance of innovation. These challenges often include the limited innovation potential of the company, a dearth of information concerning emerging technologies, and a lack of avenues for collaborative opportunities with other firms. Overcoming these production-related hurdles is crucial for fostering a more conducive environment for the successful implementation of innovative strategies within industrial enterprises. The main provisions and conceptual directions of the innovative strategy of organizations in Azerbaijan, including enterprises for the production of synthetic detergents, can be presented then as follows:

1. The center of gravity in the economic strategy must be shifted to basic innovations, to the preparation and implementation of a technological breakthrough in those narrow areas where there are prerequisites for the development

of market niches, the production of goods and services that are competitive in the domestic and foreign markets (Buslenko et al., 1973).

2. Based on the above criterion and the standard for a market economy criterion of profitability, a portfolio of innovative programs is formed, subject to priority development at the republican, regional and interregional levels.
3. It seems expedient to combine the most promising innovative programs into a republican innovation program.
4. It will be necessary to search for effective targeted organizational forms for the implementation of innovative programs. In developed countries, venture capital funds are actively used for this. They concentrate funds of large corporations, banks, insurance companies, government agencies; promising innovative programs are selected, and direct investments are allocated for their implementation.
5. An urgent task is the legal support of innovative activities. It seems that in the near future a niche in the legal regulation of innovation will be filled.
6. An important factor in the development and implementation of a technological breakthrough strategy is the formation of professional innovation management (Mesarovic et al., 1970).

At the present stage of development of the economy of the Republic of Azerbaijan, venture capital and technology transfer are of paramount importance in innovative business. So, we can conclude that: 1) only on the basis of large-scale development of high technologies of the modern, fifth technological order, it is possible to increase the competitiveness of domestic products of synthetic detergents; 2) the development of small innovative business and innovative infrastructure will help increase the income of scientists, engineers and skilled workers; and 3) mastering basic innovations and technology transfer will help preserve a single technological space within the CIS.

Analysis of the effectiveness of companies producing synthetic detergents can be referred to as an interesting case for the development of innovation in the country. In this regard, the purpose of analyzing the effectiveness of an innovative company is to study its mechanism and determine the return (effect). These areas of analysis may include: analysis of the validity of the idea and the structure of the problems, analysis of the rationalization of the structure of the organization, analysis of the legal validity of projects and state support for innovative activities (Kolmogorov, 1965), analysis of the financial and logistical support of the company, analysis of the quality of the regulatory and methodological support of the company, analysis of the information support of the company, analysis of the totality of scientific approaches and modern management approaches used in the design, analysis of the use of the company's competitive advantages, analysis of the structure of the portfolio of innovations and innovations, analysis of the quality of project expertise, analysis of the quality of calculations of indicators of the effectiveness of innovation, and analysis of the system of motivation for innovation.

An insight into economic considerations in innovation process in Azerbaijan

The decisive factor in innovations or the rapid exit of a financial-crisis enterprise from a pre-bankruptcy situation is the attraction of foreign capital by means of borrowings or the invitation of partners to prepare, receive and receive promotions. At the expense of the attracted capital, it is possible to finance the day-to-day allocation of investments, and also to complete the interrupted investment in the initial process of the initial investment projects. In recent years, significant changes have been observed in the volume of industrial products in the Republic of Azerbaijan in 2017-2020. For example, if the volume of industrial output in the country in 2017 was 39892.5 million manats, in 2019 this figure increased to 46999.2 million manats. Compared to 2019, the volume of industrial output in 2020 decreased and amounted to 37269.9 million manats, compared to 2019, the value of products produced in the mining industry in 2020 decreased and amounted to 22836.3 million manat. In 2020, compared to previous years, the volume of production in the processing industry, distribution and supply of electricity, gas and steam increased. The volume of services provided for water supply, waste treatment and treatment in 2020 decreased compared to 2019 and amounted to 332.1 million manats (Table 2).

Table 2. Cost of industrial products (works, services) in the Republic of Azerbaijan in actual prices, mln. manat.

Indicators	2017	2018	2019	2020
All industry	39892,5	47677	46999,2	37269,9

Mining industry	28033,5	34931,5	32857,5	22836,3
Processing industry	9723,5	10465,4	11793,8	11848,3
Production, distribution and supply of electricity, gas and bribes	1839,8	1961,2	2011,6	2253,2
Water supply, treatment, and sewage treatment	295,7	318,9	336,3	332,1

Source: own elaboration

These results seem correlated with the changes in the structure and volume of investments in fixed assets in the industrial sector in Azerbaijan. For example, the volume of investments in the country's industrial sector during 2017-2020 has significantly decreased. For example, if in 2017 the volume of investments in the country's industry was 6989.5 million manats, in 2019 this figure decreased to 4411.3 million manats. manat. In 2020, this figure will decrease to 3845.6 million. manats. The volume of domestic investment in the country's industry in 2017-2020 has also increased. In 2020, this figure will increase compared to previous years and amounted to 5219.7 million. manat (Table 3). Compared to the statistics of 2017-2019, the volume of investments in the mining industry in 2020 decreased by 5613.8 million manats, a decrease in the production, distribution and supply of electricity, gas and steam amounted to 486.6 million manats. manat, investments in water supply, waste treatment and processing decreased by 354.4 mln. manats.

Table 3. Investments in the fixed capital of the industry of Azerbaijan (in actual prices), million manat

Indicators	2017	2018	2019	2020
Foreign investment	6989,5	3993,1	4411,3	3845,6
Domestic investment	3620,6	4504,1	4846,7	5219,7
Mining industry	8428,9	5702,3	5670,5	5613,8
Processing industry	652,6	1431,9	2466,4	2610,5
Production, distribution and supply of electricity, gas and steam	870,5	602,9	490	486,6
Water supply, wastewater treatment	658,1	760,1	631,1	354,4

Source: own elaboration

Considering our case of study, a significant increase in the dynamics of the production of detergents has been observed in the Republic of Azerbaijan. For example, in 2017, 386.4 thousand tons of detergents were produced, and in 2019 this figure increased to 1782.3 thousand tons. In 2020, this indicator decreased, and 1 607.4 thousand tons of detergents were produced. The decrease was due to the effects of the pandemic (Figure 1).

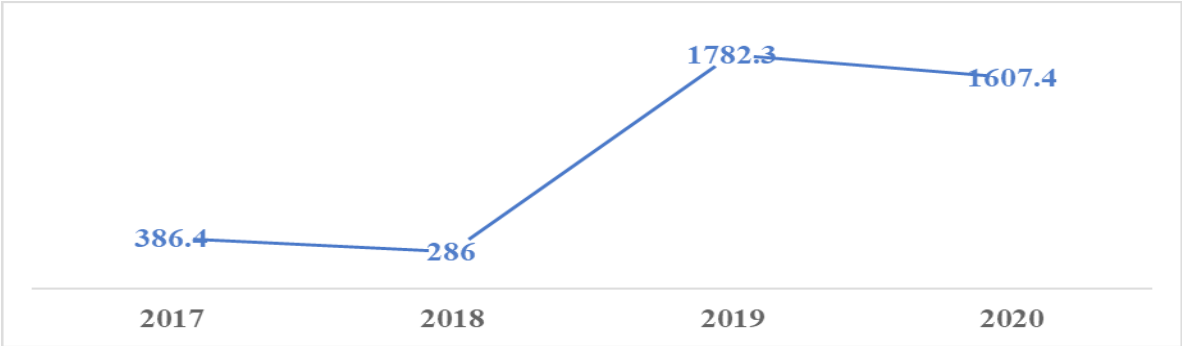

Figure 1. Dynamics of production of detergents in the Republic of Azerbaijan in recent years (thousand tons).

Source: own elaboration

The appearance at the debtor enterprise of the newly received loan funds from new creditors also makes it possible to count on the fact that the former creditors will somewhat "calm down" in their desire to forcibly sell the debtor or his assets, having received, as they understand, far from complete the amount of reimbursement of their debts. They, perhaps, will then agree to refrain from filing claims in court for claiming the debt or declaring the debtor bankrupt for some time (Lyapunov, 1964). Moreover, creditors, to a certain extent interested in restoring the borrower's solvency so that he can fully repay their debt, may even agree to restructure the "stuck" debt.

This restructuring involves deferring debt through a formal voluntary review of non-performing loan agreements with additional interest on this deferral. In this case, the lender is willing to wait longer for debt repayment in exchange for an increase in interest payments for extending the debt maturity. At the same time, the level of the interest rate on additional interest payments may increase. It is only essential that the current value of all receipts for servicing and repayment of the deferred debt for the creditor should be no less than in the case of repayment of only part of the "bad" debt from the proceeds from the forced sale of the debtor enterprise or its assets as a result of declaring it bankrupt. In turn, the main way to convince new creditors or partners to lend a financial crisis firm is the factor of an already outlined increase in its market value, or its actually expected increase in the near future. Considering the above, in our opinion this is the only way to get the enterprises producing synthetic detergents out of the crisis.

For this purpose, it is also necessary to give an estimated estimate of specific innovations in increasing the market value of the enterprise, for which the discounted cash flow method is used. Determining the contribution of certain proposed innovations to the increase in the value of a financial crisis enterprise depends on: the overall financial efficiency of the commercial viability and the riskiness of the innovation (the uncertainty of earning income from an investment project based on it); the availability of the proposed innovation for self-financing by this enterprise or financing it by attracting limited external sources of partner and borrowed capital - especially in terms of start-up investments, if the project to commercialize the new technology in question has yet to start; the purpose of the valuation; the method of assessing the reasonable market value of the company and for the future time of interest to the appraiser; the duration of the forecast period during which anti-crisis management will be carried out, aimed at the implementation and manifestation of the positive results of the innovation under consideration (Petrov et al., 1979);and the level of observed inflation and the degree of certainty of inflationary expectations for the useful life of the investment project.

Disclosing these points, it is necessary to rely on one or another specific method of assessing the enterprise. For example, if we evaluate a financial crisis enterprise using the discounted cash flow method, then its reasonable market value or the maximum possible price max for the enterprise can be presented in relation to the continuation of the firm's activities without introducing one or another innovation under consideration and for the case of its implementation, comparing the calculated values this cost. Then the contribution of innovation to the increase in the value of the enterprise will be exactly equal to the difference between the corresponding estimates. If the innovation is not implemented, then the justified market value of the enterprise will be equal to the residual current value PV of the expected income of the firm with a simple continuation of its operations, i.e., the residual value of the enterprise without the introduction of innovations on it, as shown in equation 1. In this equation $j = 1,2,3, \dots M$ would be the numbers of projects carried out at the enterprise (produced synthetic detergents in our case of study), $t_j = 1,2,3 \dots, N_j$ is the numbers of unit periods, up to the number of the period of the end of the useful life N_j of the project j, A_{tj} is the expected cash flows of the enterprise in the implementation of already ongoing projects (with the continuation of the production of previously mastered products of synthetic detergents) and i_j an individual discount rate for a specific project j from the number of ongoing projects, taking into account its systematic or non-systematic innovation risks.

$$I_{max} = P_v = \sum_{j=1}^{M} \sum_{t_j=1}^{N_j} A_{tj} \times \left(\frac{1}{1 + i_j} \right) \qquad (1)$$

And, finally, in this area there is a need to develop criteria and indicators for investment assessment of innovation projects, and types of innovations in terms of their impact on the market value of an enterprise. First, it is necessary to find out what the level of cash flows projected for the innovation project is: the higher it is, the more likely it is that the net present value (NPV) of the projects proposed for their implementation will be positive and, thus, will

increase the market assessment of the crisis enterprise. The same is critical for determining an alternative net present value of a project, an indicator of its internal rate of return. The known equation for its calculation is shown in equation 2.

$$NPV = -I_0 + \sum_{t=1}^{N} A_t \left[\frac{1}{1+i^*}\right] \quad (2)$$

Based on the indicator of the internal rate of return (profitability) of the project, the indicator of the project profitability index is synthesized (equation 3). This index characterizes, as it were, the "safety margin" of the project from the point of view of its comparative efficiency in relation to the investment alternative of investing the same funds in other projects.

$$P_p = \frac{(i^* - i)}{i} \quad (3)$$

Stages of the analysis in innovation activities

The main stages of the analysis in innovation activities include: the identification of problems and the task of analysis; development of project analysis programs; selection of methods of work performance; collection and processing of necessary economic information; analysis of the system of indicators; preparation, agreement, and confirmation of the results of the work done; and the decisions taken on the results of the analysis. Unfortunately, this direction in Azerbaijan is not given due attention. In our opinion, the key role in the improvement and renewal of various aspects of the company's activities is played by innovation management. This is because innovation a special type of professional activity, aimed at achieving specific results on the basis of rational use of scientific, labor, material and financial resources, the application of multidisciplinary principles, and functions (Rud et al., 2007).

The birth of an innovative idea takes place at the stage of fundamental and search research and development. The main task is the discovery of new principles of creation of ideas and technologies. And as a generator of ideas is a fundamental science. The next stage of the innovation process is applied research and experimental design work. At this stage, the probability of obtaining negative results is high. Therefore, investments in innovations are called risk investments. The practical implementation of the results of innovative activity is carried out at the market stage, which includes in itself the introduction into the market, the expansion of the market, the maturity of the product and the decline in sales. Thus, from the very beginning of the innovation process, the manager must take into account the curved life cycle of the product.

In the field of production of synthetic detergents technology development strategies should be from the following stages: strategic diagnosis - is the recognition of the situation at an early stage, tracking the results; strategic analysis - this is the definition of strategic areas, analysis of the environment, selection and formulation of strategies, program development; evaluation of the program - this is the definition of the advantages and disadvantages of each program and their integration into the general policy of the enterprise; implementation of strategies - this is the implementation and control of selected programs (Kolmogorov, 1965).

The situation determines the behavior of the enterprise in a specific market moment, the general direction of its development. The formulation of the basic strategy is the basis for planning the entire subsequent innovation activity, which is one of the functional strategies. Functional component specifies the selected basic strategy, defines a set of activities and programs for separate functional units of the enterprise. All strategies can be divided into several groups. Nowadays, in the country is needed to take risks and to conduct research in combination with the introduction of new technologies.

The protection strategy assumes the control of a significant share of the market and the maintenance of a high rate of profit through the reduction of production. A firm that focuses on this strategy must have a strong position in production and marketing.

The absorbing strategy relates to the cases when the acquired license is implemented in a fundamentally new product with a high profit and a new market. The disadvantage of getting licenses is that licenses costs a lot of money, but these are acquired faster and act more reliably than own development (Solomonoff, 1960). The above-mentioned depends a lot on the cost of technological innovations, which at the present time in the industry, including and chemical, are insufficient. All this, in our opinion, is due to the need to increase the investment of technological and organizational innovations in increasing the market value of enterprises in the production of synthetic detergents. The starting point should serve to increase the market value of the enterprise as a general task of management. Then, an increase in the market value of an enterprise from the point of view of its shareholders is the most important goal of all management of the firm, as is the condition of obtaining the basic standard return

on investment in the capital of the enterprise (Solomonoff, 1964a, 1964b).

Testing a product within a firm for its suitability for its intended purpose is called alpha testing. After the appropriate fine-tuning of the product, its beta testing begins, a prerequisite for which is to establish feedback with consumers who have a prototype. Beta testing is especially effective in cases where the sample of potential users is diverse, the potential use cases of the product are not well defined, the purchase decision is made by several people, and the opinion of individuals - from among consumers - innovators plays an important role influencing the formation of opinions of other people (Goode & Machol, 1957). Consumer testing is carried out in a variety of forms, and for synthetic detergents, it is most suitable to issue samples of goods to users for trial use at home.

If the product has successfully passed functional tests and consumer testing, it receives a brand name, packaging is designed for it and a preliminary marketing program is developed. Then the new product, in particular, synthetic detergents, is tested in conditions close to real market conditions, the size of the potential market is determined, the reaction of consumers and dealers to the emergence of a new product, its use and sale. One of the main areas of modern innovative business is product adaptation, including synthetic detergents, as well as diffusion processes. This theory, closely related to the product life cycle process, was first proposed by Everett Rogers. It describes innovative behavior and assumes that the characteristics of a new product can influence the rate at which it adapts to consumers. With this approach, consumers are divided into five categories of adaptation, each of which has different behavioral characteristics. These categories refer to buyers who buy the analyzed product for the first time and fall into one of them. What will attract the buyer the first time, how long it takes to carry out the diffusion process, depends on the nature of the product.

Final considerations

Large transnational market players have consistently demonstrated their superiority over small enterprises. This superiority was based primarily on the ability of large enterprises to ensure higher economic efficiency of their production. With the growth of the size of the enterprise, there is a process of economy on the scale of production, which was expressed in an increase in labor productivity and in a decrease in costs per unit of output. In modern conditions, the increase in concentration, understood in a broad sense as an increase in the share of large companies in the industry of a particular country, can be divided into three different, but interrelated processes: horizontal, vertical integration and diversification. Let us consider these areas in detail, and which are most suitable for the subjects of the market for synthetic detergents.

Usually in the economic literature, horizontal integration refers to the increase in the importance of large transnational companies within a particular industry, the concentration in their hands of an increasing share of industrial production, and vertical integration refers to the expansion of large companies into other industries, which are successive stages of production in relation to their main industry. A special place in market relations is occupied by diversification, which is understood as the penetration of large companies into other industries that are not in direct production relationship with their main industry.

In our opinion, the third direction is the most acceptable for the economy of the Republic of Azerbaijan for the development of the market of synthetic detergents, i.e. diversification. This situation is due to a number of factors:

- Large companies gravitate towards continuous growth and at the same time seek to find profitable areas for the application of their capital. However, as the turnover of companies grows, it becomes more difficult to expand, since the concentration of production in each industry has its own boundaries.
- By entering new industries, updating their assortment (for example, synthetic detergents), companies seek to reduce the risk associated with business activities, to mitigate the effects of economic crises. According to diversification theory, a large, diversified firm requires a lower liquidity ratio than a specialized firm to maintain an appropriate level of competitiveness.
- Diversification reduces the risk of losses from structural changes and market fluctuations and opens up new opportunities for the implementation of long-term investment programs.
- A significant role in the development of diversification is played by the establishment of links between firms in different industries. If earlier companies were limited to agreements on prices and division of markets, then in the conditions of the scientific and technological revolution it forces them to go to different forms of production and scientific and technical cooperation, which may well be acceptable for enterprises producing synthetic detergents.
- The development of diversification was facilitated by a systematic approach to sales. Companies increasingly set themselves the task of not producing one particular product but satisfying the needs of customers in a certain area, i.e., for example, soaps, synthetic detergents and similar products.

An example of the largest multinational company is Procter & Gamble Co, USA, which specializes in the production of household chemicals. Among chemical companies it ranks sixth in the world and second in the country. In the 70s, it actively diversified its program and took a strong position in the pharmaceutical and food industry of the country, as well as in the production of household goods. A diversified, mainly chemical-pharmaceutical, company specializing in the production of detergents and related products. The structure of sales is: detergents and related products about 36.0%; toilet soap, sanitary and hygienic and other products about 40%.

There are many such examples of large transnational companies in the chemical industry from different countries: "Montedison" (Italy); Siba-Gaigi (Switzerland); DSM (Netherlands); Rhone-Poulenc (France); Mitsubishi kasei kogyo (Japan) and others. The optimal level of production of synthetic detergents can be influenced by the creation of large multinationals, especially in the area of regional market strategies. This conclusion follows from the fact that in the modern world economy, the main conductors of the processes of trans-nationalization are large production and marketing associations - transnational corporations, which have a great influence on the development of world economic relations at the beginning of the 21st century. The modern fifth generation of transnational corporations (TNCs) appears and begins to purposefully develop in the context of accelerating processes of regional economic integration. The existence of integration associations in the world and the creation of regional unified economic spaces by them opens up wide opportunities for TNCs to conduct international business on all continents.

CONCLUSIONS

The formation of modern innovative business is directly related to the stages of development of national economies. It should be noted that the classics of economic theory classify the main stages of development of national economies in different ways and their position in relation to modern innovative business is somewhat different. Almost all developed countries of the world are at the innovation stage, and considering the rapid growth of the national economy of the Republic of Azerbaijan we believed that in the near future our country will reach a stage driven by innovations. Since at the innovation stage, the importance of companies' strategies increases, local companies should develop international and global strategies for their development.

An innovative economy has the highest resistance to adverse external factors for it, as well as macroeconomic fluctuations. An innovative economy is distinguished by new methods of state regulation, among which indirect levers of influence on the national economy prevail. The state is now interested in stimulating the creation of developed factors, improving the quality of domestic demand, promoting the development of new progressive sectors of the economy, and supporting intra-industry competition. The final and necessary condition for the transition to a higher stage of competitiveness is the ability to organize new business, but precisely innovative business. The above provisions can be fully and completely referred to the main conceptual directions of the formation of innovative business in the market of synthetic detergents, but also similar products of the Republic of Azerbaijan.

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