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PROCEEDINGS

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GLOBALIZATION AS A DRIVER OF COMPETITIVE DYNAMICS: EMPIRICAL EVIDENCE FROM NORTH MACEDONIA

Meri Boshkoska [1], Emilija Gjorgjioska [2], Monika Angeloska - Dichovska [3], Margarita Janeska [4], Tatjana Spaseska[5]

Abstract

Globalization transforms the competitive environment of markets, by increasing the number of competitors, bringing new foreign players with innovative products/services, higher - quality products, lower prices, the emergence of new strategic partnerships and collaborations between competitors. Companies are facing increased pressures, which imposes the need for their rapid and appropriate adaptation. In response to these challenges, organizations are developing strategies to maintain and increase their competitive position by improving the quality of products and services, reducing prices, innovative activities, digital transformation and implementing sustainable practices.

The paper aims to analyze the impact of globalizations on the competitive dynamics of companies in the Republic of North Macedonia and determine the relationship between competitive pressures and their strategic, technological and innovation responses. For this purpose, a survey on 220 Macedonian companies was conducted. In the analysis of the results, descriptive statistics were used to show general trends, correlation analysis to determine the dependencies between perceived competitive pressures and the reactions of companies, and χ^2 - test to examine the relationship between categorical variables, using Microsoft Excel and SPSS.

The results provide insight into how globalization is shaping the competitive dynamics of the Macedonian market and the findings indicate how companies are adapting their strategies, and technological and innovation activities under conditions of increased competition.

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Keywords: globalization, competition, strategic responses, innovation, technology.

1. Introduction

The modern world economy is characterized by an intensive growth, primarily dictated by the globalization, which has fundamentally changed the rules of market competition, dismantled traditional geographic boundaries and introduced companies to a new era of speed, transparency, and unpredictability. (WFO, 2025)

Globalization refers to the integration between the world's nations, markets, and social and political systems. It links distant locations in such a way that events in one place may affect or become affected by events in other locations around the world. The phrases "global village" and "compression of the world" are often used to reflect the interconnected nature of modern life, where technologies such as digital media and the internet allow people to communicate and share information immediately (Alkharafi & Alsabah, 2025)

The term international business refers to any business that includes activities related to the exchange of products, services, or resources that take place across national borders between two or more countries (Boshkoska, Gjorgjioska, Risteska-Jankuloska & Odzaklieska, 2026). International business may be advantageous in terms of economic contribution globally but also comes with certain risks. The fact that every nation is governed by its own system of laws; its own legal and regulatory framework; its own cultural norms and customs; and its own official languages means a company will have to make an assessment of whether the potential rewards of conducting business on an international basis are worth the associated risk (Stobierski, 2021)

In today's fast-changing digital marketplace and globalizing business environment, new technologies play a greater role than before in a company's ability to function successfully and compete on a global scale. Innovations in artificial intelligence (AI), Internet of Things (IoT), big data, blockchain and digital platforms have dramatically changed how companies do business across borders. This change happens in a world of increasingly integrated supply chains and multinational corporations, making the global economy ever more connected. The increased globalization of trade has made it much harder for companies to compete; therefore, the speed with which companies can implement innovative technologies and strategically adjust their technology-based strategies is going to be the key factor for companies to succeed globally (Firdaus, 2023). The efficient functioning of the supply chain in any company contributes to the growth of its competitiveness and profitability in both domestic and international markets (Gligorovski, Jankuloska, Dichovska, 2023). With today's globalized supply chain network, an increasing number of global companies have faced rising levels of risk, both geographically and throughout their supply chains. As a result, global companies must now navigate multiple layers of cultural differences, trade restrictions and political instability when attempting to enter or operate within foreign markets. Therefore, by necessity global firms must utilize new product/service localized offerings, diversified supply chain structures and new

technologies to support their long-term success and sustainability. The examples of leading global firms provide evidence that successful globalization through local market adaptations can be a key element for sustaining competitiveness in today's global marketplace (Jin, 2025).

Globalization enables greater opportunities for international exchange of knowledge and information; however, it is also evident that its benefits are not evenly shared across all nations and businesses (especially those from developing economies). The adaptation and integration of the advanced technologies is a complicated process that is influenced by numerous factors. Modern models of technology acceptance, such as the Technology Acceptance Model (Schorr, 2023), the Unified Theory of Acceptance and Use of Technology (Momani, 2020), and the Diffusion of Innovations (García-Avilés, 2020), are dynamic and subject to continuous change, which further complicates the ability of companies to react quickly and effectively.

Globalization also intensifies international competition, which further emphasizes the necessity of a high degree of technological acceptance and a developed innovation capacity among companies (Skare & Soriano, 2021). The concept of competitiveness is a complex and multidimensional which is why it has gained increasing importance in recent decades in today’s interconnected global economy.

The necessity for sustainable competitiveness has driven organizations to concentrate upon creating/developing both unique and sustainable forms of competitive advantage so as to enhance long term competitive positioning and adaptability within an ever changing competitive landscape (Ogrean & Herciu, 2021). Therefore companies will be required to create new competitive strategies; modify their current marketing orientations; make investments into technological advancements and innovations; adhere to global regulatory requirements and standards (Boshkoska, Angeloska-Dichovska, Gjorgjioska, Janeska & Gligorovski, 2026).

Companies based in developing economies (such as the Republic of North Macedonia) experience a number of additional challenges within this context which relate to the limitations imposed by their available resources but also require a significant amount of technological development. Hence, there is a need for a more detailed empirical understanding of how domestic companies actually perceive these pressures and what strategic responses they undertake.

The paper focuses on an empirical analysis of the Macedonian business sector through a survey conducted on a sample of 220 companies. The main goal is to determine the relationship between perceived global competitive pressures and the appropriate strategic, technological and innovation responses of companies. In this regard, the research analyzes key structural characteristics of the companies, such as their size (by number of employees) and period of operation and primary activity.

The initial part of the paper presents the introduction with a review of literature related to the topic of the paper. This is followed by the second part, where the research methodology used is elaborated. The third part presents the data used in the empirical analysis and discusses the empirical findings. The last

part of the paper includes the concluding observations with recommendations, as well as recommendations for future research.

2. Methodology

For the purpose of achieving the goal of the research, the survey method alongside with closed-ended questions and a Likert scale were used. The questionnaire was anonymous, created with Google Forms and sent via e-mail to the respondents. Two hundred and twenty (220) respondents answered the questionnaire. The questionnaire consists of three parts. The first part consists of five questions that relate to the general characteristics of the companies (activity, number of employees, number of years of company's operation, market in which the products/services are put on and market from which raw materials are procured). The second group of questions is designed to assess the impact of globalization on competitive challenges. The third group of questions is designed to obtain data on practices applied by the companies to the competitive challenges they face. Descriptive statistics (calculation of arithmetic mean and standard deviation), correlation analysis and χ^2-test were applied in the processing of the results. The obtained answers were analyzed using the Microsoft Excel software package.

3. Analysis of the research results

3.1 General characteristics of the researched companies

The research covered companies with different characteristics in terms of their size, period of operation and primary activity, the market in which they place their products and the market from which they procure their raw materials. In order to ensure clarity and conciseness in the presentation of this data, they are presented through selected graphical displays and cross-tabulations.

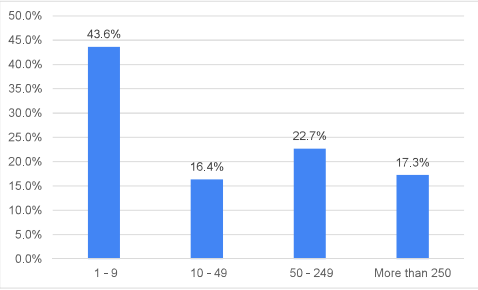


Fig 1. Structure of Companies by Number of Employees
Source: Authors' calculations.

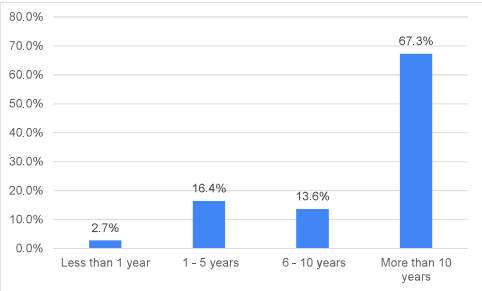


Fig. 2 Structure of companies by years of operation
Source: Authors' calculations.

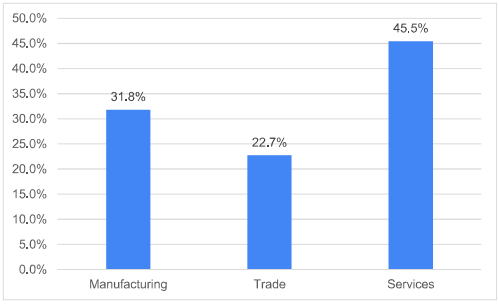


Fig 3. Structure of Companies by Primary Activity

Source: Authors' calculations.

Charts 1, 2 and 3 refer to the key structural characteristics of the companies, such as: number of employees, period of operation and primary activity. These variables were selected because they represent relevant factors that can influence the perception of global challenges and the responses of the companies, and they are further used as a basis for testing the hypotheses set by applying the χ^2 test.

Table 1. Cross-tabulation of number of employees and market for sourcing raw materials

	Markets for sourcing raw materials			**sum**
Number of employees	**Domestic and International**	**Domestic**	**International**	
1-9	16.4%	19.1%	8.2%	43,6%
10-49	8.2%	5.5%	2.7%	16,4%
50-249	11.8%	2.7%	8.2%	22,7%
More than 250	9.1%	5.5%	2.7%	17.3%
sum	45.5%	32.7%	21,8%	100%

Source: Authors' calculations

Table 2. Cross-tabulation of number of employees and market placement

	Market Placement			**Sum**
Number of employees	**Domestic and International**	**Domestic**	**International**	
1-9	6.4%	36.4%	0.9%	43.6%
10-49	6.4%	8.2%	1.8%	16.4%
50-249	9.1%	6.4%	7.3%	22.7%
More than 250	10.0%	0.0%	7.3%	17.3%

sum	31.8%	50.9%	17.3%	100%

Source: Authors' calculations

Table 3. Years of operation by market for sourcing raw materials

	Markets for sourcing raw materials			
Years of operation	**Domestic and international**	**Domestic**	**International**	**Sum**
Less than 1 year	0.9%	0.9%	0.9%	2.7%
1-5 years	2.7%	8.2%	5.5%	16.4%
6-10 years	3.6%	8.2%	1.8%	13.6%
More than 10 years	38.2%	15.5%	13.6%	67.3%
sum	45.5%	32.7%	21.8%	100%

Source: Authors' calculations

Table 4. Years of operation by market of product/service placement

	Market Placement			
	Domestic and international	**Domestic**	**International**	**Sum**
Less than 1 year	0.9%	1.8%	0.0%	2.7%
1-5 years	2.7%	8.2%	5.5%	16.4%
6-10 years	5.5%	4.5%	3.6%	13.6%
More than 10 years	22.7%	36.4%	8.2%	67.3%
sum	31.8%	50.9%	17.3%	100%

Source: Authors' calculations

From the company size chart, it can be seen that the majority of the sample is made up of micro companies with up to 9 employees, while the rest are distributed in the categories of small, medium and large companies. In terms of the period of operation, companies with more than 10 years of experience dominate. According to the primary activity, the sample includes manufacturing, trade and service companies, with service companies having the largest share.

The cross-analysis between the number of employees and the raw material procurement market shows that micro companies (1–9 employees) are predominantly oriented towards the domestic market (19.1%), but a significant part also uses a combined approach (16.4%), while small, medium and large companies are predominantly oriented towards the combined approach. Overall, the results indicate that the internationalization of supply does not depend linearly

on the size of the company, but rather manifests itself through a combination of domestic and international sources.

The cross-analysis between the number of employees and the market for the products/services shows clear differences depending on the size of the company. Micro and small companies are predominantly oriented towards the domestic market, while medium and large companies show a dominant participation in the domestic and international markets, with a significantly higher participation in the international market compared to micro and small companies. These results indicate that larger companies are more intensively involved in the processes of globalization.

The cross-analysis between the period of operation of the companies and the raw material procurement market indicates significant differences depending on their maturity. Companies with less than one year of operation have a minimal share in all categories, which is expected given their early stage of development and limited capacities. Companies operating from 1 to 5 years mainly procure from the domestic market (8.2%), but at the same time show a certain percentage of procurement from the international market (5.5%), which indicates a gradual inclusion in international flows. Companies operating from 6-10 years, unlike the previous ones, use the international market for procurement of raw materials less, but use the combined approach (domestic and international) in a higher percentage. Companies with more than 10 years of operation dominate in all categories, especially in the combined approach (38.2%). They show a significant percentage of procurement from both the domestic (15.5%) and the international market (13.6%), which indicates a higher level of integration in global supply chains.

The cross-analysis between the period of operation of the companies and the market of placement of the products/services indicates that companies with less than one year of operation are almost completely oriented towards the domestic market (1.8%) and have no presence on the international market, which is expected given their early stage of development. Companies with 1–5 years of operation show a dominant orientation towards the domestic market (8.2%), but also a relatively higher participation on the international market (5.5%) compared to companies with 6–10 years of operation. Companies with 6–10 years of operation show a lower participation on the international market (3.6%), which indicates that the process of internationalization does not proceed evenly with increasing experience. Companies with more than 10 years of operation dominate in all categories, but have the largest participation on the domestic market (36.4%) and a significant participation in the combined placement (22.7%).

3.2 Results of the descriptive statistics

The following tables present the results of the descriptive statistics. Based on the values of the arithmetic mean and standard deviation for each individual variable (indicator), conclusions have been drawn.

Table 5. Descriptive Statistics (M and SD) of Global Competitive Challenges

Factors	M	SD
GP1 The number of foreign competitors has significantly increased.	3.47	1.11
GP2 New types of competitors have emerged, offering innovative or unique products/services.	3.63	1.04
GP3 Competition has intensified in terms of prices and the availability of products/services.	3.75	0.99
GP4 Competition has intensified in terms of quality and innovation.	3.66	1.09
GP5 New partnerships and collaborations have emerged among competitors.	3.54	1.04
GP6 There have been no significant changes in the number and types of competitors.	2.66	1.19
Arithmetic Mean and Standard Deviation	**3.45**	**1.08**

Source: Authors' calculations.

From the table above it can be seen that the highest mean value is the indicator GP3 (M = 3.75), which indicates that price pressure as a challenge is one of the most pronounced effects of globalization. The other indicators also have higher values than the arithmetic mean, with the exception of the indicator GP6, which indirectly confirms that most companies still perceive changes in the competitive environment. The average value for all factors (M = 3.45) additionally indicates that globalization has a moderate to significant impact on competitive challenges. From the results of the standard deviation, it can be concluded that the respondents have relatively consistent attitudes regarding the factor GP3 (SD = 0.99), GP5 (SD = 1.04) and GP2 (SD = 1.04). Otherwise, the factor GP6 has the highest SD value (1.19), which indicates divided perceptions and greater variability in attitudes. As a general conclusion from the previous table, the GP3 indicator has the greatest importance and the greatest consistency, indicating that this challenge is key and widely recognized by companies. On the other hand, the GP6 indicator has the lowest average value and the greatest variation, meaning that its importance is not universally accepted and there are different perceptions among companies.

Table 6. Descriptive Statistics (M and SD) of Companies' Responses to Competitive Challenges

Factors	M	SD
GR1 There has been a need to reduce prices in order to remain competitive.	3.33	1.25
GR2 There has been a need to improve the quality of products/services.	3.78	1.22

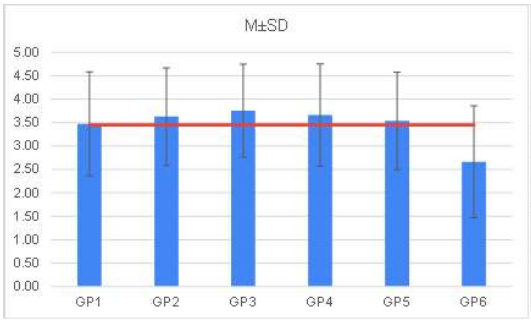
GR3 There has been a need for innovation and the development of new products.	3.95	1.03
GR4 There has been a need to place greater emphasis on digital transformation and marketing.	4.01	1.00
GR5 There has been a need for greater efficiency and resource optimization.	3.23	1.08
GR6 There has been a need for stronger compliance with and implementation of green business practices.	3.47	1.11
Arithmetic Mean and Standard Deviation	**3.63**	**1.12**

Source: Authors' calculations.

In terms of the companies' responses, the results show that the highest mean values are observed for indicators GR4 (M = 4.01), GR3 (M = 3.95) and GR2 (M = 3.78). This indicates that companies recognize that in order to remain competitive, they need to place greater emphasis on digital transformation and marketing, invest in technological development, innovation and improvement of organizational processes. The lowest mean value is for indicator GR5 (M = 3.23). The average value of the responses (M = 3.63) shows that companies are significantly responding to globalization challenges through a combination of strategic, technological and innovation activities. The analysis of the standard deviation values shows that the greatest variability in attitudes is found in GR1 (SD=1.25) and GR2, which indicates divided perceptions among the respondents. The most consistent and clearly recognized responses to the challenges are GR4, GR3, GR5 and GR6. A general conclusion regarding the analysis of the arithmetic mean and standard deviation of the companies' responses to global challenges would be that the highest average values and at the same time the lowest SD have GR4 and GR3, which indicates the great importance of these indicators and low variability in the respondents' responses.

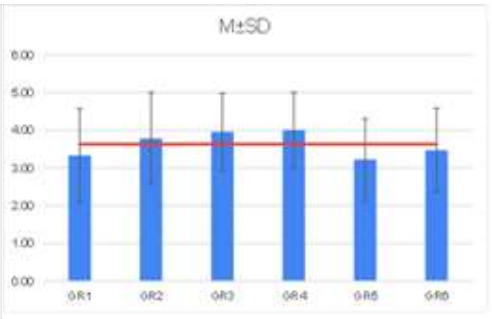
The relationship between the arithmetic means and standard deviations of the two groups of indicators is presented in the following charts:

Fig. 4. Graphical presentation of the results (Mean ± SD) for the GP group



Source: Authors' calculations.

Fig. 5. Graphical presentation of the results (Mean ± SD) for the GR group



Source: Authors' calculations.

The vertical lines (error bars) in the columns illustrate the variability in the responses – the longer the line, the greater the difference in opinions. The red horizontal line shows the average arithmetic mean in the corresponding group. The comparative analysis between the two groups shows that the GP group has 5 out of 6 higher arithmetic means than the average, while in the GR group only 3 out of 6 have higher arithmetic means than the average. The standard deviation in both groups (GP and GR) is in a similar range, which indicates a moderate and relatively equal variability of the responses.

3.3 Testing Internal Consistency and Correlation Analysis

In continuation of the analysis, a check of the internal consistency, i.e. the reliability of the applied indicators within each group was carried out. The assessment of the internal consistency was carried out using the Cronbach alpha test. In order to be considered reliable and thus justify continuing with the analysis, the value of this test, i.e. the Cronbach alpha coefficient, must be at least 0.7 (Hulin, Netemeyer & Cudeck 2001). The results of the analysis showed that the value of this coefficient for the investigated indicators together in both groups of indicators is 0.85, separately in the GP group is 0.73, and in the GR group is 0.86, which indicates internal consistency (high internal consistency and coherence of all 12 indicators) of the indicators and reliability of the findings separately in each group. Accordingly, it is justified to continue with further analysis.

The following table shows the results of the correlation analysis and, based on the values of the Pearson coefficient, the degree of dependence between the indicators was determined:

Table 7. Correlation Matrix of Global Competitive Challenges and Companies' Responses

	GP1	GP2	GP3	GP4	GP5	GP6	GR1	GR2	GR3	GR4	GR5	GR6
GP1	1.00											
GP2	0.50	1.00										
GP3	0.42	0.63	1.00									
GP4	0.51	0.66	0.65	1.00								
GP5	0.43	0.47	0.46	0.65	1.00							
GP6	-0.02	-0.16	-0.09	0.01	-0.03	1.00						
GR1	0.09	0.21	0.12	0.06	0.17	0.01	1.00					
GR2	0.33	0.39	0.32	0.43	0.35	-0.07	0.24	1.00				
GR3	0.25	0.43	0.44	0.43	0.33	0.01	0.31	0.62	1.00			
GR4	0.21	0.34	0.39	0.36	0.28	0.11	0.30	0.45	0.66	1.00		
GR5	0.31	0.39	0.39	0.37	0.27	0.15	0.34	0.29	0.36	0.43	1.00	
GR6	0.11	0.33	0.38	0.37	0.29	0.12	0.37	0.19	0.41	0.44	0.41	1.00

Source: Authors' calculations.

The complete correlation matrix provides comprehensive insight into the relationships between global competitive challenges and companies' responses.

Within the group of global challenges (GP), moderate to relatively strong positive correlations are observed, especially between GP2, GP3 and GP4 ($r \approx 0.63–0.66$), as well as between GP4 and GP5 ($r = 0.65$). This indicates that these factors are interconnected and are often perceived as complementary aspects of the competitive challenges. On the other hand, GP6 shows very weak or negative correlations with the remaining indicators, indicating that this challenge stands out and is not consistently related to the others, which is in line with the previous results of the descriptive analysis and internal consistency.

Within the responses of companies (GR) to global challenges, the correlations are moderate and consistent, with the strongest correlations observed between GR3 and GR4 ($r = 0.66$), as well as between GR2 and GR3 ($r = 0.62$). This suggests that companies tend to apply more interconnected and complementary strategies in response to competitive challenges. These results are consistent with the higher value of Cronbach's Alpha for this group.

The correlations between global challenges and companies' responses show moderate positive values, indicating the existence of a logical connection between the perception of competitive challenges and the implementation of appropriate strategies. The connections between GP2, GP3 and GP4 with GR2, GR3 and GR4 stand out in particular ($r \approx 0.32–0.44$). In contrast, the factor GP6 does not show a significant connection with any of the responses, which further confirms that its influence on companies' responses is limited.

The results indicate that, although there is a clear relationship between certain competitive challenges and companies' responses, this relationship is not uniform across all factors, indicating a selective and strategic approach by companies in adapting to global competitive conditions.

3.4 Results of Hypothesis Testing

For testing the hypotheses, indicators were selected whose arithmetic mean was higher than the average value for the group, and the standard deviation was lower than the average, thus ensuring a focus on factors that have the relatively highest perceived importance and the highest degree of agreement of attitudes. Meanwhile, when selecting the variables for testing the hypotheses, emphasis was placed on those factors that directly reflect the exposure of

companies to globalization flows (market of placement and market of procurement), as well as on selected structural characteristics, in order to ensure a relevant and focused analysis.

The paper sets four (4) separate hypotheses:

H01: There is no statistically significant relationship between the market in which companies place their products /services and the perception of the competitive challenge in terms of prices and availability of products/services (GP3).

H02: There is no statistically significant relationship between the market in which companies place their products /services and the application of digital transformation and marketing (GR4) as a response to competitive challenges.

H03: There is no statistically significant relationship between the market from which companies procure raw materials and the emergence of new competitors with innovative or unique products/services (GP2) as a competitive challenge.

H04: There is no statistically significant relationship between the size of the company (number of employees) and the need for innovation and development of new products (GR3) as a response to competitive challenges.

Test results are shown in Table 8.

Table 8. Summary of Hypothesis Testing Results

Independent variable	Dependent variable	χ^2(calc)	df	p	C	χ^2(table)	Acceptance/Rejection of the hypothesis
Market placement	*GP3*	13,14	8	0,107	0,24	15,51	The hypothesis is accepted
Market placement	*GR4*	2,12	6	0,907	0,1	12,59	The hypothesis is accepted
Market for sourcing raw materials	*GP2*	33,45	8	5,12E-05	0,37	15,51	The hypothesis is rejected
Company size	*GR3*	35,52	12	0,0004	0,37	21,03	The hypothesis is rejected

Source: Authors' calculations.

A conclusion can be drawn from the table that there is no statistically significant relationship between the market for placement and the perception of the competitive challenge in terms of prices and availability. The p value indicates that the differences in the answers are not statistically significant. The value of the contingency coefficient indicates a weak relationship. Hence, the first null hypothesis is accepted. The results of the second separate hypothesis indicate that there is no statistically significant relationship between the market for placement and the application of digital transformation and marketing. The p value indicates that the differences in the answers are not statistically significant. The contingency coefficient indicates a very weak relationship, which means that the second null hypothesis is also accepted (df value is 6 because all answers on the "strongly disagree" scale were zero). The results of the third separate hypothesis show a statistically significant relationship between the raw material procurement market and the perception of the emergence of new competitors. The p value indicates that the differences obtained are statistically significant and are not the result of chance. The contingency coefficient indicates a moderate association,

which means that the third null hypothesis is rejected. The results of the fourth separate hypothesis show that there is a statistically significant association between the size of the company (the number of employees in the company) and the need for innovation and development of new products. The p value indicates that the obtained differences are statistically significant. The contingency coefficient indicates a moderate association, which means that the fourth null hypothesis is rejected.

Based on the conducted analysis of the tests, it can be concluded that the impact of globalization on competitive challenges and companies' responses is not uniform for all analyzed factors. The results showed that the market for placing products/services is not a significant factor in increasing competition due to prices and availability of products, as well as in terms of the application of digital transformation and marketing as a strategic response of companies to competitive challenges. The market for purchasing raw materials, on the other hand, proved to be a significant factor in the emergence of new competitors as a competitive challenge, and the size of the company as a significant factor for innovation and development of new products as a response of companies to competitive challenges.

These results indicate a selective influence of factors related to globalization challenges and companies' responses.

4. Conclusion

Globalization generates complex and multifaceted impacts on the operations of companies in various sectors, with even those that are not directly involved in international supply and distribution flows being exposed to indirect implications through the globalized external environment, which points to the need to systematically take these impacts into account in their own analyses and strategic business decision-making processes, especially in companies that are directly integrated into international markets, given their significant impact on competitive and market position.

The analyses confirmed that globalization has a significant but different impact on competitive challenges and companies' responses. Descriptive statistics showed that companies largely agree that globalization leads to increased competition, especially in terms of prices, quality and the emergence of new competitors with innovative or unique products/services. Namely, companies most often respond by improving product quality, introducing innovations and digital transformation. The results of the correlation analysis show that within the group of global challenges, moderate to relatively strong positive correlations are observed, especially between the emergence of new competitors with innovative products/services, price competition and competition in terms of quality and innovation, as well as between competition in terms of quality and innovation and the emergence of new partnerships and collaborations between competitors. This indicates that these factors are interrelated and are often perceived as complementary aspects of competitive challenges. Within the responses of

companies to global challenges, the correlations are moderate and consistent, with the strongest connection being observed between the need for innovation and development of new products and the need for digital transformation and application of marketing, as well as between the need to improve the quality of products/services and the need for innovation and development of new products. The correlations between global challenges and the responses of companies show moderate positive values, indicating the existence of a logical connection between the perception of competitive challenges and the application of appropriate strategies. Particularly noteworthy are the connections between the emergence of new competitors with innovative or unique products, price competition and quality competition and innovation with the need to improve product quality, the need for innovation and development of new products and the need for greater digital transformation and application of marketing.

The results indicate that not all structural characteristics of companies have the same impact. The distribution market did not prove to be a statistically significant factor, while the raw material procurement market and the size of the company have a statistically significant impact.

Based on the foregoing, several recommendations emerge for Macedonian companies to strengthen their strategic focus in order to adapt to global challenges in a timely and appropriate manner:

- intensifying of innovation activities in order to strengthen and maintain a competitive position, continuous focus on improving the quality of products and services and development of new products/services,
- accelerating digital transformation, especially in the area of marketing and communication with consumers, as a key response to modern market trends,
- creating a clearly defined strategic approach that will enable systematic and coordinated management of key business activities. Such an approach implies the integration of innovation, digital transformation, quality management and market orientation into a single strategic framework, with clearly set goals, measurable indicators and mechanisms for monitoring performance,
- it is necessary to proactively monitor competitive movements, the emergence of new trends and innovative players on the market in order to adapt to market changes in a timely and effective manner.

Future research should cover multiple aspects related to globalization, in order to obtain a broader picture of the impact of globalization on the operations of companies in the Republic of North Macedonia. It is necessary to examine the effectiveness of an integrated strategic approach, especially in the area of the synergy between innovation, digital transformation and quality management, and/or develop and test specific strategic models or frameworks that would help companies more effectively integrate key business functions and improve their competitive position in the dynamic global environment. It is also advisable for future analyses to include a sectorial and comparative perspective, in order to identify specificities in different industries and company sizes. It would be

particularly important to explore the role of organizational culture, leadership and human capital as factors that determine the degree of adaptation to global challenges.

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