
Dominance in outsourcing of accounting functions in Russia: analysis of the presence and structure of dominant groups in the main and niche markets

Vladimir A. Vertogradov

<https://orcid.org/0000-0002-2986-0886>; SPIN-code (RSCI): 6429-3764

e-mail: vertogradov@econ.msu.ru

Svetlana V. Shchelokova, Cand. of Sci. (Econ.), Associate Professor

<https://orcid.org/0000-0002-7233-1322>; SPIN-code (RSCI): 4820-4633

Scopus Author ID: 6603236805

e-mail: s@svmatrix.online

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Abstract

This article analyzes the Russian accounting functions outsourcing market based on the RAEX ranking data from 2010 to 2020. As a result of the application of the SV matrix, the dominant groups of the companies in this market were structured, its dynamics were identified, as well as the strategies of some companies in this industry in various sub-sectors were analyzed. According to the results of the analysis, there is a low level of concentration and a weak group of dominant companies in the accounting functions «outsourcing industry, in the «Accounting and tax accounting» sub-industry a large group of dominant companies is gradually being formed, in the «RAS reporting (Russian Accounting Standards)» sub-industry a «natural oligopoly» was identified with the group of companies controlling almost 90% of the market, and in the «IFRS reporting (International Financial Reporting Standards)» sub-sector, the dominant group controls more than 80% of the market, but at the same time, it is highly differentiated internally. The results of this analysis, as well as the proposed methodology for assessing the level of competition and dominance in various markets, can be used by companies to make various decisions regarding the strategic behavior both in the industry as a whole and in each of the sub-sectors.

Keywords: *competitive analysis, economic dominance theory, oligopoly, SV matrix, Lind Index, Hall-Tideman Index, Herfindahl-Hirschman Index, outsourcing.*

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About authors

Vladimir V. Vertogradov, Head of laboratory «Project MAX», Faculty of Economics, Lomonosov Moscow State University, Moscow.

Svetlana V. Shchelokova, Candidate of Sci. (Econ.), Associate Professor, Faculty of Economics, Lomonosov Moscow State University, Moscow.