

DEVELOPMENT STRATEGIES FOR GLOBAL COMPANIES IN CURRENT CONDITIONS

Nasimov Bakhtiyor Vasiyevich

Researcher of Tashkent State University of Economics

Abstract

This article presents strategies for the advancement of international companies in the context of today's dynamic global environment. It examines core concepts related to the strategic development of such firms under current market conditions. Particular attention is given to the activities of the "Uztekstilprom" association, with practical recommendations proposed to enhance its development strategy and competitive positioning.

Keywords: corporate strategy, enterprise resources, offensive strategy, operational strategy, market share, intensive demand growth.

Annotatsiya

Ushbu maqolada xalqaro kompaniyalarning bugungi sharoitda rivojlanish strategiyalari bayon etilgan. Unda mazkur firmalarning rivojlanish strategiyalari bilan bog'liq asosiy tushunchalar tahlil qilinadi. Shuningdek, "Uztekstilprom" uyushmasining faoliyati ko'rib chiqilib, uning rivojlanish strategiyasini takomillashtirish bo'yicha amaliy tavsiyalar keltirilgan.

Kalit so'zlar: korporativ strategiya, korxonalar resurslari, hujumkor strategiya, operatsion strategiya, bozor ulushi, intensiv talab o'sishi.

Аннотация

В данной статье рассматриваются стратегии развития международных компаний в современных условиях. Исследуются ключевые концепции, связанные со стратегиями развития этих фирм в текущей обстановке. Также анализируется деятельность ассоциации "Uztekstilprom", и предлагаются практические рекомендации по совершенствованию ее стратегии развития.

Ключевые слова: корпоративная стратегия, ресурсы предприятия, наступательная стратегия, операционная стратегия, доля рынка, интенсивный рост спроса.

INTRODUCTION

In today's global economy, the importance of domestic businesses as key players in the international market is increasing significantly. The substantial growth and economic capabilities developed over the last few decades allow certain domestic companies to aim for a spot among the leading global competitors. However, these firms face a challenging environment marked by rapidly changing international markets, intensified competition, stricter regulations, and major shifts in the global economic landscape.

Consequently, creating a strategy for international expansion is critical for domestic companies. This approach not only aims to boost shareholder value but also helps them establish a strong presence in the global market. To succeed, they must

carefully evaluate their strategic options amid ongoing competition from foreign firms. Given the limitations of time and resources, the variety of strategic choices highlights the need for an effective international strategy, emphasizing the relevance of addressing the challenges inherent in developing such a strategy.

REVIEW OF LITERATURE

In today's rapidly changing global business environment, strategies for global companies have become central to achieving sustainable competitive advantages. Scholars have extensively explored various strategic frameworks that help multinational corporations (MNCs) navigate uncertainties, exploit opportunities, and maintain growth trajectories amid complex global dynamics.

Michael E. Porter emphasizes the importance of competitive advantage through his seminal work, highlighting the critical role of differentiation and cost leadership as essential strategies that enable global companies to sustain their market positions. Porter argues that companies must carefully evaluate and align their internal resources and external market conditions to create lasting competitive advantages. According to Porter's perspective, successful global strategies depend heavily on understanding industry-specific forces and strategically responding to them through targeted actions and clear positioning (Porter, 1985).

Christopher Bartlett and Sumantra Ghoshal's influential framework remains central in discussing global strategies, distinguishing between multidomestic, global, international, and transnational strategies. Bartlett and Ghoshal stress the transnational strategy as a more sophisticated and balanced approach, combining global efficiency with local responsiveness. They underline the importance of organizational capabilities and internal integration mechanisms to manage complexities arising from diverse international markets. This strategy enables corporations to benefit from global-scale efficiencies while simultaneously adapting products and services to local market requirements (Bartlett & Ghoshal, 1989).

In the context of emerging market conditions and intensified competition, C.K. Prahalad and Gary Hamel introduced the concept of core competencies. Prahalad and Hamel advocate leveraging unique internal capabilities to foster innovation and differentiation in global markets. According to their research, companies that identify and cultivate their core competencies can effectively respond to competitive pressures and deliver distinctive value to global customers, thereby achieving sustainable growth and global market leadership (Prahalad & Hamel, 1990).

John Dunning's eclectic paradigm further enriches our understanding of how global companies make strategic decisions regarding internationalization. Dunning's paradigm (also known as the OLI paradigm: Ownership, Location, Internalization advantages) asserts that global companies must strategically evaluate their firm-specific advantages, favorable location conditions, and the efficiency of internalization processes. His approach provides a comprehensive framework that integrates economic and managerial perspectives, enabling companies to optimize decisions related to foreign direct investment, market entry, and international growth (Dunning, 1993).

METHODOLOGY

In preparing the article, such research methods as the method of horizontal and vertical analysis, the formal-logical method, the method of scientific abstraction, and econometric analysis were used.

ANALYSIS AND RESULTS

The enhancement of the textile industry's potential in Uzbekistan is a crucial strategic focus. The country is well-equipped to efficiently process and create high-value end products from its available textile raw materials. However, it still lags behind in technical advancement and attractiveness for foreign investment compared to other developing textile nations.

There is a significant link between foreign investment and economic growth. For a nation to achieve sustainable and robust economic growth, it requires a steady influx of capital. As the trade tensions between the U.S. and China compel factories to relocate, primarily to Southeast Asian countries like Vietnam, Cambodia, and Bangladesh, Uzbekistan has a unique opportunity to attract numerous textile factories. With its developing textile clusters, substantial cotton production, and low costs of electricity and labor, Uzbekistan could potentially draw in billions of dollars in foreign direct investment and create hundreds of thousands of jobs for its citizens.

The enterprises in Uzbekistan produce a wide range of consumer goods, including fabrics, threads, knitwear, cotton wool, and finished products. Prior to 1991, only textile mills in Bukhara, Tashkent, Andijan, and Ferghana were operational. However, since gaining independence, numerous new enterprises have been established.

Additionally, products from the textile industry, which are part of the Uztekstilprom Association, are now exported under the unified label "Uztextile." The previous monopoly on raw cotton sales to local textile manufacturers has also been eliminated.

As a result, the head of state endorsed the proposal from textile industry enterprises and shareholders of Uzbekengilsanoat JSC, leading to the formation of the Uztekstilprom Association. Concurrently, Uzbekengilsanoat JSC, which previously held both regulatory and economic functions, was dissolved. This decision was made because the existing management system for the industry was outdated and unable to adequately support manufacturers in the evolving textile market.

The experience of other countries has demonstrated that one effective method for advancing the textile industry is the establishment of clusters. This model organizes a complete production cycle that encompasses the cultivation of raw cotton, primary processing, further processing at ginneries, and the production of high-value textile products.

The President has also granted several benefits and incentives to members of the Uztekstilprom Association. Notably, these include a temporary exemption

from customs duties until January 1, 2021, for imported cotton, artificial and synthetic fibers, wool, and other essential materials needed for textile production.

According to a document signed by President Shavkat Mirziyoyev, starting with the next harvest, textile companies in Uzbekistan will, for the first time, be allowed to buy raw cotton directly from farmers as part of an experimental initiative.

This innovation will enable textile producers to oversee the entire process of cotton cultivation and harvesting, from selecting the variety to setting quality standards for the cotton fiber. Additionally, for the first time, textile workers will have the option to conduct the primary processing of raw cotton at their own or leased specialized facilities, or they can delegate this task to ginneries through a give-and-take arrangement.

The experience of other countries has demonstrated that one effective method for advancing the textile industry is the establishment of clusters. This model organizes a complete production cycle that encompasses the cultivation of raw cotton, primary processing, further processing at ginneries, and the production of high-value textile products.

The President has also granted several benefits and incentives to members of the Uztexstilprom Association. Notably, these include a temporary exemption from customs duties until January 1, 2021, for imported cotton, artificial and synthetic fibers, wool, and other essential materials needed for textile production.

According to a document signed by President Shavkat Mirziyoyev, starting with the next harvest, textile companies in Uzbekistan will, for the first time, be allowed to buy raw cotton directly from farmers as part of an experimental initiative.

This innovation will enable textile producers to oversee the entire process of cotton cultivation and harvesting, from selecting the variety to setting quality standards for the cotton fiber. Additionally, for the first time, textile workers will have the option to conduct the primary processing of raw cotton at their own or leased specialized facilities, or they can delegate this task to ginneries through a give-and-take arrangement (table 1).

Table 1
Forecast volumes of production of marketable products for 2018-2021¹
(billion sum)

№	Предприятия	2017y.	2018y.	2019 y.	2020 y.	2021 y.	Pace growth, %
1	Industrial production	10 87	12 41	4 269	16 553	19 201	116,0
	products at comparable prices,						
1.1	total by association	2879,4	4 38,4	4862,2	5 639,8	6 542,2	116,0
1.2.	including on:	7688 8	202,4	9668,0	10913,0	12658,7	116,0
	large enterprises						
	Small businesses	23	30,2	34,3	35,6	37,2	104,5
	including by:	688,5	1562,8	2150,4	2581,4	2608,2	100,0

¹ Author's work

From Table 1, it is evident that over the past three years, 92 industrial enterprises have been launched, with a total investment of USD 575.3 million and an export potential of USD 215.8 million. This development has also led to the creation of more than 11,600 jobs. Notably, the establishment of the Indorama Kokand Textile joint venture, based on the Kokand Textile Plant, has resulted in a production capacity of 29,000 tons of yarn annually. Additionally, in the Khorezm region, the Uzteks Group, in partnership with the Swiss company Swiss Capital, has initiated the production of 12,000 tons of cotton yarn each year.

Currently, the textile industry has a production capacity of 450,000 tons of yarn, 296 million square meters of fabric, 90,000 tons of knitted fabric, and 270.2 million pieces of garments and knitwear annually. The modern design and high technical quality of these products make them highly attractive, allowing light industry enterprises to carve out a niche in the international market and compete effectively with global brands.

According to the Uztekstilprom Association, Uzbekistan plans to implement more than 80 light industry projects valued at over USD 1 billion by 2020. To support this, a Program for the Development of the Textile and Light Industry for 2015-2020 has been developed, aiming to increase the export potential of the country's textile sector by more than 1.8 times.

The results from the first half of this year highlight the gradual and dynamic development of Uzbekistan's textile industry in alignment with the adopted state programs. Specifically, due to efforts to diversify the range of consumer goods in the textile sector, 38 new types and 174 new models of finished garments and knitwear were produced in the first six months of 2019.

The initiatives aimed at stimulating and supporting enterprises in the real sector have led to significant growth in the textile industry. During January to June, textile enterprises generated goods worth 4,399.8 billion soums, including cotton products worth 1,185.9 billion soums, knitwear valued at 400.5 billion soums, and clothing industry outputs totaling 1,113.1 billion soums.

Moreover, compared to the same period last year, large light industry enterprises reported a 1.3-fold increase in the production of cotton yarn not packaged for retail, a 3.2% rise in pile and terry knitted fabrics, and a 1.2-fold increase in total sewing and knitwear production. Notably, production of outer knitted garments rose by 2.1 times, while overalls increased by 1.6 times.

Despite these advancements, experts indicate that Uzbekistan's light industry still possesses significant unrealized investment potential, presenting opportunities for accelerated growth. The primary focus moving forward is to boost production for the domestic market to meet the increasing needs of the population. This requires attracting investments for projects aimed at producing ready-made cotton fabrics, blended and silk fabrics, garments, and knitwear, with an emphasis on establishing mobile production facilities and dedicated teams for design, marketing, and rapid production adjustments based on fashion trends and demand.

To ensure the accelerated development of the textile industry, expand the production of high-quality competitive products, and enhance their presence in international markets, the following key areas for reform have been identified as part of the Action Strategy for Uzbekistan's development from 2017 to 2021:

1. Increase the Textile Industry's Share in the Economy: Focus on enhancing the volume and quality of textile products through a shift toward high-tech, competitive production with high added value.

2. Revise Management Systems: Overhaul the textile industry management system by integrating advanced management technologies and providing effective support to industry enterprises.

3. Improve Standardization and Certification: Enhance the standardization and certification processes to align with international requirements, including modernizing product testing laboratories.

4. Adopt Advanced Technologies: Implement advanced information and communication technologies to gather reliable market data and conduct comprehensive analyses for industry development.

5. Implement Cluster Development Models: Establish integrated production models that encompass the entire process from raw cotton cultivation to the production of high-value textile products.

6. Balance Raw Material Distribution: Ensure a balanced distribution of raw materials and the strategic placement of new enterprises, supported by infrastructure development.

7. Introduce Innovative Technologies: Promote the use of advanced technologies and design innovations while localizing the production of modern fittings to enhance production quality and expand exports.

8. Enhance Workforce Training: Significantly improve the training and retraining systems for personnel in the textile industry, updating curricula and enhancing research and international cooperation in education.

Additionally, a "Roadmap" has been approved for the accelerated development of the textile and clothing industry in Uzbekistan. Ministry heads and other officials are personally accountable for the timely and effective implementation of the measures outlined in the Roadmap.

Due to serious systemic problems in the industry, including the lack of effective management and the associated technological chain for the manufacture of finished products, the share of the textile sector in the structure of GDP is only 4.6% (data for the first half of this year). High monopolization and lack of due competition also hinder development and are the reason for the low profitability of raw cotton production, its processing and production of finished products.

Association Uzteksilprom works with marketing services at enterprises and its main function is to support domestic producers and create favorable conditions for the sale and export of finished products.

The main priorities in the work of the marketing department of the Uzteksilprom Association are:

1. Conducting an analysis of the economic activities of exporters in the interests of the Republic of Uzbekistan, development of road maps
2. Development of a production strategy at enterprises
3. Stimulation of production volumes using market levers
4. Import of textile products without overpricing.
5. Analysis of the information received from trading advisors in embassies, consulates.
6. Cooperation with ministries and departments, such as the Ministry of Foreign Trade, the Ministry of Economy of the Republic of Uzbekistan, the Ministry of Finance, the State Tax Committee.
7. Working with the industry - opening new and promising markets for the sale of finished products, supporting domestic producers.
8. Analysis for the delivery of goods and the formation of a favorable environment for production.
9. Study and implementation of Western production technologies.
10. Reducing the tax burden for domestic producers (table 2).

Table 2

**Importers of Turkish textile equipment of the association
“Uztekstilprom”¹**

№	Country	№	Country
1	Bangladesh	11	Russia
2	Iran	12	Turkmenistan
3	India	13	Bulgaria
4	Egypt	14	Vietnam
5	Pakistan	15	China
6	Uzbekistan	16	Ethiopia
7	USA	17	England
8	Germany	18	Poland
9	Belgium	19	Indonesia
10	Italy	20	Sudan

In 2015, the total export value of the Turkish textile machinery industry was 1.6 billion USD, and in 2019 it was 8.6 billion USD, an increase of almost 7 times during this period.

CONCLUSION AND SUGGESTIONS

In accordance with the analysis carried out, the following recommendations can be made to improve the strategy of the enterprise. For the main activities of the Uztekstilprom association, the best strategy is low costs, based on a fuller use of fixed assets. Also, the management of the enterprise needs to establish contacts with new suppliers of raw materials and materials, on more favorable terms for the enterprise.

¹ <https://uzts.uz/>

Thus, according to the Porter model, a differentiation strategy can be proposed for a firm when the firm targets a large market, offering both a standard product and a stand-out new product.

The offer of a wide range of new materials is beneficial for the Uztekstilprom association. Now, most building products are in their maturity stage, so the firm needs to try to maintain its distinctive advantage (high quality, thoughtful discount system, etc.) for as long as possible.

The current pricing strategy for the firm's products was calculated correctly, which ultimately reflected in the high profits of the firm. Also, the path of transformation, modification of the product was correctly chosen to renew demand after the market was saturated with the product. At the same time, a new modification of the product must be introduced to the market, then the company will again be able to receive high revenue and profit.

Therefore, in the short term, a company is recommended a strategy aimed at identifying the deeper needs of buyers and thereby expanding its coverage (for example, the production of new types of building structures).

REFERENCES

1. DJURABAEV O. Formation of model beekeeping facilities and modernized interindustrial communications in human bearing management //Архив научных исследований. – 2020. – №. 11.
2. Djurabaev O. Methods of the process approach in management and determination of the criterion of technological efficiency of beekeeping farms: methods of the process approach in management and determination of the criterion of technological efficiency of beekeeping farms // Archive of scientific research. - 2021. - Т. 1. - No. 1.
3. Saidov M. Increasing Management Efficiency in The Electricity Sector of Uzbekistan //The 5th International Conference on Future Networks & Distributed Systems. – 2021. – С. 343-347.
4. Saidov M. S. Analysis of the economic activities of natural monopoly organizations //Инвестиции, градостроительство, недвижимость как драйверы социально-экономического развития территории и повышения качества жизни населения. – 2022. – С. 74-79.
5. Munira A. Analysis methods of the factors influencing on consumer market //Бюллетень науки и практики. – 2018. – Т. 4. – №. 2. – С. 276-282.
6. Shanazarova G. Features of innovative management strategy of the automotive industry of Uzbekistan //Архив научных исследований. – 2019.\
7. Уахуаева I. Енгил саноат корхоналарида маҳсулот рақобатбардошлигини ошириш йўналишлари //Архив научных исследований. – 2019.



Marketing

ilmiy, amaliy va ommabop jurnali

Muharrir: Xakimov Ziyodulla Axmadovich
Ingliz tili muharriri: Tursunov Boburjon Ortiqmirzayevich
Rus tili muharriri: Kaxramonov Xurshidjon Shuxrat o'g'li
Musahhah: Karimova Shirin Zoxid qizi
Sahifalovchi va dizaynerlar: Sadikov Shoxrux Shuxratovich
Abidjonov Nodirbek Odijon o'g'li

2025-yil, mart, 3-son

© Materiallar ko'chirib bosilganda "Marketing" ilmiy, amaliy va ommabop jurnali manba sifatida ko'rsatilishi shart. Jurnalda bosilgan material va reklamalardagi dalillarning aniqligiga mualliflar mas'ul. Tahririyat fikri har vaqt ham mualliflar fikriga mos kelavermasligi mumkin. Tahririyatga yuborilgan materiallar qaytarilmaydi.

Mazkur jurnalda maqolalar chop etish uchun quyidagi havolalarga murojaat qilish mumkin. Ilmiy maqola, ommabop maqola, reklama, hikoya va boshqa ilmiy-ijodiy materiallar yuborishingiz mumkin.

Materiallar va reklamalar pullik asosda chop etiladi.

Elektron pochta: info@marketingjournal.uz
Bot: [@marketinjournlbot](https://t.me/marketinjournlbot)
Tel.: +998977838464, +998939266610

Jurnalning rasmiy sayti: <https://marketingjournal.uz>

Marketing jurnali O'zbekiston Respublikasi Oliy ta'lim, fan va innovatsiyalar vazirligi huzuridagi **Oliy attestatsiya komissiyasi rayosatining 2024-yil 04-oktabrdagi 332/5 sonli qarori** bilan milliy ilmiy nashrlar ro'yxatiga kiritilgan



"Marketing" ilmiy, amaliy va ommabop jurnali 2024-yil 15-martdan O'zbekiston Respublikasi Prezidenti Administratsiyasi huzuridagi Axborot va ommaviy kommunikatsiyalar agentligi tomonidan **C-5669517** reyestr raqami tartibi bo'yicha ro'yxatdan o'tkazilgan. **Litsenziya raqami: №240874**



"Marketing" ilmiy, amaliy va ommabop jurnalining xalqaro darajasi: **9710**. ГOCT 7.56-2002 " Seriyali nashrlarning xalqaro standart raqamlanishi" davlatlataro standartlari talablari. **Berilgan ISSN tartib raqami: 3060-4621**