
The Importance of Marketing in the Development of the Textile Industry: A Strategy for Growth and Sustainability

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Abstract: This article examines various strategies for increasing competitiveness in the Uzbek textile industry in the face of emerging market dynamics and global challenges. The paper examines challenges such as changing market demand, exchange rate volatility, technological obsolescence, infrastructure constraints, and regulatory constraints, while highlighting opportunities for export diversification, value-added product development, sustainability, digitization, and investment partnerships. The authors comprehensively analyze the problems and opportunities of the industry and provide valuable ideas and practical recommendations for Uzbek textile companies seeking to increase their competitiveness and achieve sustainable growth in the world market.

Key words: textile, marketing, sustainability, technological, advanced innovation, industry.

Introduction

The textile industry is the cornerstone of the economy of Uzbekistan and is embedded in the historical, cultural and economic structure of the country. As one of the oldest industries in the region, textiles played a decisive role in shaping the identity and economic direction of Uzbekistan.

In recent years, in the context of global changes and internal reforms, the role of marketing in this field has been shown as a decisive factor in its development and stability. Uzbekistan has a rich heritage in textile production, known for its skillful craftsmanship. From the ancient silk roads to modern manufacturing centers, textiles have taken a central place in Uzbek culture and commerce.

Historically, the industry has been characterized by traditional methods and artisanal techniques, but modern dynamics are reshaping its environment. Although the textile industry has great potential for growth and innovation, it faces many challenges in the modern era. At the core of these challenges is the need to effectively use marketing strategies to navigate global markets, increase competitiveness, and ensure growth. Therefore, understanding the important role of marketing in the context of the Uzbek textile industry is necessary to unlock its full potential.

Literature review

Theoretical frameworks in textile marketing derive from various interdisciplinary approaches to explain different aspects of the field. Market orientation has a significant impact on organizational performance in the textile industry, which is related to entrepreneurial orientation (Pal and Shalender, 2021).

Innovation is essential for textile firms engaged in international marketing to attract new customers and adapt to market demands (Vila and Kuster, 2007). Marketing theoretical frameworks such as the relational maintenance model are used to analyze value and equity in partnerships in the US textile industry, revealing an important relationship between social value and equity (Divita, Cassill, & Ludwig, 2006).

In summary, the theoretical framework in textile marketing emphasizes the importance of market orientation, innovation, and analysis of collaborative dynamics to improve organizational performance and stakeholder relationships. Kilbourne (1998) discusses the theoretical view of green marketing from a multidisciplinary perspective within institutional economics, environmental policy and technological theory. He emphasizes the need for marketing strategies that recognize the potential environmental crisis as a crisis of paradigms in Western industrial societies, and suggests that effective policy must go beyond the limitations of existing paradigms to consider sustainability and holistic thinking.

Sossieme et al (2022) present a framework for circular business models, emphasizing the role of business model innovation, technical innovation and social practices in fashion and textiles. The framework is part of the European Commission's Circular Economy Action Plan, which aims to transform fashion production and consumption for sustainability.

González et al. (2018) propose a framework to describe and assess the development of innovation ecosystems in the EU, focusing on the role of processes to support a dynamic and progressive innovation ecosystem. They emphasize the importance of collective intelligence and environmental considerations for innovation in the EU. Ditria and Colombi (2022) discuss the importance of bio-based textile solutions in the European fashion industry, focusing on new production and sustainable practices. They present a model that shows how circular processes of producing biobased materials can lead to technological innovation and sustainability in textile design. These contributions reflect a strong focus on sustainability, circular economy principles and innovation in textile marketing in Europe.

Analysis and discussion of results

The textile industry in Uzbekistan has a rich history deeply connected with the cultural heritage and economic development of the region. Uzbekistan has been known for centuries for its craftsmanship in textile production, passed down from generation to generation and celebrated along the Silk Road trade routes. Folk handicrafts such as silk weaving, silk embroidery, and silk spinning have long been valued as symbols of Uzbek craftsmanship and art.

In modern times, the textile industry of Uzbekistan has experienced significant changes in response to changing technological progress and world market dynamics. After the collapse of the Soviet Union in 1991, Uzbekistan embarked on a path of economic reform and liberalization, which led to the privatization and modernization of many textile enterprises. During this period, new market participants appeared, modern production technologies were mastered, and product offerings were diversified to meet evolving consumer demands.

Today, the textile industry remains an important component of the economy of Uzbekistan and makes a significant contribution to the employment of the population, export earnings and the growth of the gross domestic product. With its favorable geographical location, abundant cotton resources and skilled workforce, Uzbekistan has unique advantages in the production and export of textile products. The industry covers a wide range of activities such as cotton growing, spinning, weaving, dyeing, printing and garment production, serving domestic and international markets.

The textile industry of Uzbekistan involves various stakeholders, including government agencies, private enterprises, foreign investors, industry associations and non-governmental organizations.

Key players in the industry include vertically integrated textile conglomerates, small and medium-sized enterprises, and individual artisans. Collaboration and partnerships between these stakeholders are essential to drive innovation, increase competitiveness and ensure sustainable growth across the textile value chain. Despite its strengths, Uzbekistan's textile industry faces many challenges that hinder its development and competitiveness. These challenges include aging infrastructure, limited access to finance, inadequate technological capacity, regulatory constraints and environmental sustainability issues. But amidst these challenges are great opportunities for growth and change. Global demand for sustainably sourced and ethically produced textiles,

combined with advances in digital technologies and e-commerce platforms, will open new avenues for Uzbekistan to establish itself as a leading player in the global textile market.

On April 16 of this year, under the chairmanship of the President of the Republic of Uzbekistan Sh. Mirziyoyev, a video selector meeting was held on the issues of increasing the volume of export and investment in the textile sector. The textile industry in Uzbekistan has achieved significant growth over the past seven years, the volume of production has increased 4.2 times. However, despite this growth, there are difficulties in maintaining export volumes due to reduced demand in world markets and exchange rate issues.

In Uzbekistan, the textile industry makes a significant contribution to employment, with more than 6,000 enterprises employing 570,000 people, becoming the country's largest employer. Although the volume of export of ready-made textile products reached 1.3 billion dollars, exports lack products with high added value. The fact that the main part of exports is made up of low-priced knitted products indicates the need to increase the share of products with high added value in exports.

Uzbekistan has a cost advantage in yarn production, which is on average 28% cheaper than world prices. There is an opportunity to use this advantage to increase the production of finished products and occupy a large part of the world market. Although Uzbekistan has expanded its export geography to 83 countries, the main part of exports (80 percent) is concentrated in markets such as Russia, China and Turkey. There is an urgent need to diversify and increase exports to the markets of Europe, America and other developed countries.

Access to international markets, particularly Europe and America, requires compliance with international standards and certificates. However, only 12 percent of exporters meet these requirements, highlighting a barrier to market access and export growth.

We can formulate the scientific problem arising from these observations as follows: Despite the significant increase in production, employment creation and export volume, the textile industry of Uzbekistan faces problems in ensuring export growth, in particular, entering high-value markets and increasing the share of products with high added value in exports. This raises the following questions: How can Uzbekistan increase the competitiveness of the textile industry in world markets, particularly in Europe, America and other developed regions? What strategies can be adopted to increase the production and export of high value-added textiles by leveraging the country's cost advantage in yarn production? What measures should be taken to improve compliance with international standards and certifications, thereby facilitating access to valuable export markets? How can Uzbekistan diversify its export routes and reduce dependence on a few important markets such as Russia, China and Turkey? What policy measures and industry initiatives are required to achieve the government's target of 500,000 new jobs and 15 billion dollars of local textile production?

Solving these questions is important for the development and competitiveness of the textile industry in Uzbekistan, for promoting sustainable economic growth, and for maximizing the sector's contribution to increasing employment and export earnings.

The textile industry is a dynamic and competitive sector that relies on effective marketing strategies to drive growth, increase competitiveness and capture market share. The importance of marketing cannot be overestimated in Uzbekistan, where the textile industry plays an important role in the economy. Here are some key reasons why marketing is important in the textile industry:

1. Market differentiation and branding. Marketing allows textile businesses to differentiate their products from their competitors and create strong brand identities. Through strategic branding initiatives, businesses can communicate their unique value proposition, quality standards, and design aesthetic to target audiences, thereby increasing brand loyalty and preference.

2. Product development and innovation. Effective marketing research and analysis allows textile firms to identify emerging trends, consumer preferences, and market demands, and guides product development and innovation efforts. By aligning product offerings with market needs and preferences, businesses can create compelling value propositions that resonate with customers and drive sales.

3. Market expansion and diversification. Marketing plays an important role in market expansion and diversification. By studying and segmenting the target market, businesses can identify new market opportunities, explore untapped customer segments, and expand their geographic reach. Marketing also allows businesses to tailor their offerings to meet the different needs and preferences of different market segments.

4. Management of distribution channels. Marketing strategies include managing distribution channels that ensure efficient delivery of products to customers. By optimizing distribution networks, businesses can increase market coverage, reduce costs, and improve customer satisfaction. This includes strategic partnerships with wholesalers, retailers and e-commerce platforms to reach customers across multiple channels and touchpoints.

5. Pricing strategy and competitive positioning. Marketing influences pricing strategy and competitive positioning in the textile industry. Through price analysis, businesses can determine optimal price points that balance profitability with affordability and perceived value to customers.

Marketing also helps businesses effectively position their products relative to their competitors, using factors such as quality, design, and brand reputation to gain a competitive advantage in the marketplace.

6. Promotion and advertising. Promotional activities and advertising campaigns are an important component of textile marketing efforts. By using various communication channels such as traditional media, digital platforms and social media, businesses can increase awareness, generate interest and stimulate demand for their products.

Effective advertising campaigns can drive brand visibility, customer acquisition, and sales conversion, ultimately contributing to revenue growth and market share expansion.

7. Customer relationship management. Marketing facilitates customer relationship management initiatives aimed at building long-term, mutually beneficial relationships with customers. By using customer relationship management strategies, businesses can gather valuable customer insights, tailor marketing messages to individual preferences, and deliver personalized experiences that increase customer satisfaction and loyalty. This includes post-purchase support, loyalty programs and feedback mechanisms to develop lasting customer relationships.

Based on the above, marketing plays a crucial role in the success and sustainability of the textile industry in Uzbekistan and beyond. By implementing strategic marketing practices, textile enterprises can overcome competitive challenges, take advantage of market opportunities, and achieve sustainable growth in an increasingly dynamic and evolving market.

Effective marketing practices in Uzbekistan's textile industry are important to stimulate growth, increase competitiveness and capture market share. Table 1 shows the main marketing practices used in textile enterprises in Uzbekistan: As shown in Table 1, it can be said that effective marketing practices play an important role in increasing the success and competitiveness of the textile industry of Uzbekistan. By adopting strategic marketing approaches tailored to market dynamics and consumer preferences, textile businesses can position themselves for sustainable growth and profitability in an increasingly competitive market. Although the textile industry of Uzbekistan is ready for growth and development, it faces a number of problems and opportunities that determine its direction. Understanding and addressing these factors is critical to unlocking the industry's full potential.

Table 1. Main marketing practices used in textile enterprises in Uzbekistan

Practice name	Essence
Product development and innovation	Textile companies invest in product development and innovation to create differentiated offerings that respond to evolving consumer preferences and market trends. This includes the introduction of new designs, patterns and fabric technologies that attract the target audience and differentiate the products from the competition.
Market segmentation and targeting	Textile companies segment the market based on demographic, psychographic and behavioral factors to identify different customer groups with unique needs and preferences. By targeting these segments with tailored marketing messages and product offerings, businesses can maximize relevance and attract different customer segments.
Pricing strategy	Pricing strategy plays a crucial role in the marketing mix of textile enterprises. Businesses adopt a pricing strategy that balances profitability with affordability and perceived value to customers. This may include value-based pricing, competitive pricing, or penetration pricing, depending on market dynamics and competitive positioning.
Management of distribution channels	Effective distribution channel management ensures efficient and timely delivery of textile products to customers. Textile companies use a mix of distribution channels, including wholesalers, retailers, e-commerce platforms, and direct sales channels, to reach customers across different geographic locations and market segments.
Branding and positioning	Strong branding and positioning strategies help textile businesses differentiate their products from competitors and build brand equity. Businesses invest in branding initiatives that communicate their unique value proposition, quality standards, and design aesthetic to their target audience, driving brand loyalty and preference.
Promotion and advertising	Promotional activities and advertising campaigns are an important component of textile marketing efforts. Businesses use various communication channels such as traditional media, digital platforms and social media to increase awareness, generate interest and stimulate demand for their products.
Exhibitions	Participating in trade shows gives textile companies the opportunity to showcase their products, network with industry stakeholders, and explore new market opportunities. Trade shows provide a platform for businesses to launch new products, conduct market research, and build relationships with customers and suppliers.
Sustainability and corporate social responsibility	Textiles in Uzbekistan are increasingly integrating these principles into their marketing practices. This includes promoting environmentally friendly manufacturing processes, ethically sourced materials and social responsibility initiatives to attract environmentally conscious consumers and enhance brand image.

The textile industry is subject to fluctuations in global market demand, influenced by factors such as economic cycles, changing consumer preferences, and geopolitical tensions. Uncertainty in demand can create difficulties for Uzbek textile exporters, affecting sales volume and profits.

Also, exchange rate changes in the main export markets can affect the competitiveness and pricing strategy of Uzbekistan's textile products. Currency devaluation or appreciation can change the cost structures and profit margins of textile enterprises, requiring effective risk management strategies.

The rapid development of technology and automation is creating challenges for Uzbek textile enterprises that rely on outdated techniques and production processes. The implementation of

modern technologies such as digitization, automation and artificial intelligence is important for improving efficiency, quality and competitiveness.

Inadequate infrastructure, including transportation, logistics, and energy supply, poses challenges for Uzbekistan's textile industry. Weak infrastructure hinders the efficiency of production, distribution and export activities, increases costs and reduces competitiveness. Despite the challenges, there are opportunities for Uzbek textile firms to diversify export markets and expand their global footprint.

Leveraging existing trade agreements, exploring emerging markets and targeting specific segments will help mitigate risks and capitalize on growth opportunities. Uzbekistan's cost advantage in yarn production provides opportunities for development and diversification of value-added products. Investing in design innovations, fabric technology and product customization will enable Uzbek textile firms to capture high-margin market segments and increase competitiveness.

Digitization of trade provides opportunities for Uzbek textile enterprises to reach global customers through e-commerce platforms and digital marketing channels. Embracing online sales channels, social media marketing, and digital advertising can expand your market and increase customer engagement.

Conclusions and suggestions

In conclusion, although the textile industry of Uzbekistan faces challenges related to market dynamics, infrastructure and regulation, there is great potential for growth and development. By proactively solving problems, strategically using opportunities, and mastering innovation and cooperation, Uzbekistan's textile firms can position themselves for sustainable success in the world market.

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