Improvement of The Brand Strategy Development of Textile Products ` Export

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Abstract
The article explores the improvement of the brand strategy for the development of textile exports. The author has developed scientifically sound recommendations and recommendations on developing brand strategies for the development of textile exports in the country.

Keywords
Brand, Marketing Strategy, Textile, Textile Production, Cotton.

Introduction
Today, with the integration processes in the global economy becoming increasingly important, special attention is paid to improving the branding strategy for the export of textile products. The share of this sector in the total volume of industrial production is 6-8% in developed countries, including Germany, France, USA and 12% in Italy. This will allow the country to generate up to 20% of its budget through textile production. Significant changes have been made in the improvement of the brand strategy for the development of textile exports worldwide over the last 10-15 years. As a result of the globalization of the economy, the textile production center has moved from Europe and the United States to the “Third World” countries, particularly Southeast, Central Asia, and South America. [1]

There is a growing need for Uzbekistan to develop a brand strategy for export-ready products and export development that fully meets international quality standards on raw materials processing, saturating the domestic market with high quality local textile products, and supporting the introduction of advanced innovative technologies in the production process. Therefore, the Strategy of Action for the five priority areas of development of the Republic of Uzbekistan for 2017-2021 sets important tasks for “deepening structural reforms, enhancing its competitiveness by modernizing and diversifying the leading sectors of the national economy.” [2] The successful implementation of these tasks will require the development of specific measures to improve the brand strategy of the republic’s textile exports. In this regard, the development of scientifically grounded recommendations and recommendations on the development of brand strategies for the development of textile exports in our country is one of the pressing issues of today.

Analysis and Results
The textile industry of Uzbekistan plays an important role in the socio-economic development of the country. After all, the textile industry is the backbone for sustained economic growth, increased export revenues, priority development of small businesses and private entrepreneurship, and social tensions, such as employment, income generation and, ultimately, improved living standards.

Today, the textile industry is characterized not only as a dynamically developing sector, but also as a steady increase in exports, attraction of foreign investments and modernization and radical technical and technological modernization of production processes.

Issues textile production competitiveness were investigated by Bekmurodov A.Sh., Young Song Be [6], Tillakhodjaev M.A. [7], Tursunov B.O. [9-11] and S.J. Ergashxodjaeva, K.S.Kyvyakin [12]. Issues textile production competitiveness were investigated by S.J. Ergashxodjaeva, K.S.Kyvyakin [8] and Tursunov B.O. [9-14]. Opportunities of usage of artificial intelligence methods in operational planning of textile production researched by N.Yuldoshev and others [15].

In recent years, the textile industry has been booming and its share in the country’s GDP has grown significantly. However, in general, the potential and resources of the textile industry of Uzbekistan are not being fully utilized. This increases the urgency of in-depth scientific and practical study of the resources and economic potential of textile enterprises. Further accelerating reforms in the textile industry and achieving economic efficiency requires, first of all, a deep study and analysis of the experience of developed textile countries, and on this basis, proposals and recommendations that can be applied to the development of the textile industry in Uzbekistan.

It is well known that today the most developed countries in the textile industry are China, Germany and Turkey. Each of these countries has national strategies that allow not only to find a niche in the world market, but also to maintain and strengthen this position for a long time. It uses various development strategies to achieve its competitive advantage in industrial sectors amid growing competition in the global and domestic markets. The product life cycle theory should be used to select and justify the textile industry development strategy. [11]

It is considered that the national textile industry has a high competitive advantage over other manufacturers. These are the following production factors [3]:

- by labor cost: According to the data of SJSC “Uzbekengilsanoat” in 2016 the average wage is US $ 0.22-0.25 per hour, Bangladesh and Vietnam - US $ 0.28, India - $ 0.29, Pakistan - 0, $ 37, Indonesia - $ 0.55, China - $ 0.57 Malaysia - $ 1.18, Turkey - $ 2.88, South Korea - $ 7.10;
- Fuel and Energy Resources Price: US $ 0.07 per cubic meter in Uzbekistan (2016), Turkey, France and the USA - 0.21-0.23 USD, China - 0.28 USD It is. In Uzbekistan, 1 kg of black oil - US $ 0.09 (2016), China, India, Turkey, South Korea - about US $ 0.29-0.34, US and Western Europe - US $ 0.20-0.23, Pakistan - $ 0.50. The price of electricity in Uzbekistan was US $ 0.05 per 1 kW / h in 2016, while in competitive countries it was 0.03 US $ 0.09;
- By water price: water for industrial needs in our country is 1 cubic meter. - $ 0.13 (2016), China - $ 0.15, India - $ 0.16, Pakistan - $ 0.26. The highest water prices are in the US - US $ 0.51, South Korea - US $ 0.60, Turkey - $ 1.50 and Western Europe - US $ 1.23-1.91.
Availability of basic raw materials: The main production cost in the textile industry is cotton fiber. It is known that the country produces over one million tons of cotton fiber per year. Locating businesses near the raw material production area can significantly reduce time and transportation costs. Also, the production of cocoons and wool is well developed in the country. Based on the aforementioned factors, we will analyze the current state of national light industry development. In particular, the analysis shows that the share of light industry in GDP in 2017 was 9.6%, textile industry - 9.0%, and its share in total industrial production - 15.4% and light industry - 94.2%. (Table 1).

Table 1 : The role of the textile industry of Uzbekistan in the economy of the country [4]

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<tr>
<td>The share of light industry in GDP</td>
<td>11,1</td>
<td>11,5</td>
<td>8,8</td>
<td>9,2</td>
<td>9,6</td>
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<tr>
<td>The contribution of the textile industry to GDP</td>
<td>10,3</td>
<td>10,9</td>
<td>8,7</td>
<td>8,6</td>
<td>9,0</td>
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<tr>
<td>The share of the textile industry in industry</td>
<td>17,7</td>
<td>15,7</td>
<td>15,7</td>
<td>15,2</td>
<td>15,4</td>
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<tr>
<td>Textile industry’s share in light industry</td>
<td>92,7</td>
<td>94,6</td>
<td>98,5</td>
<td>93,8</td>
<td>94,2</td>
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The analysis shows that the volume of production of semi-finished textile products - cotton fabrics, cotton and silk fabrics is decreasing. In particular, in 2018 the production of cotton fabrics decreased by 20.9% compared to 2000, cotton - by 12.5% and silk fabrics - by 22.2% (Table 2). The main reason for this is the rapid development of ready-made textile products (garments) with high added value.

At the same time, the highest growth rates in the textile industry are observed in the production of carpets and rugs, which is 13.9 times more than in 2000, or 22.3 million square meters. At the same time, the production of cotton yarn increased 2.7 times and increased by 367.1 thousand tons, knitwear - by 2.4 times and reached 105.9 million units.

In the textile industry, production of high value added ready-made textile products is growing at a rapid pace, but exports of cotton fiber are still the leading exporters. As the Republic can benefit more from export of textile products and even more than finished products.

The global textile market has maintained its stability amid the global financial and economic crisis. The crisis led to a slowdown in global textile market growth of only 0.7% in 2009. However, by 2010 the growth rate was 4.1%, and in 2012 - 7.2%. The dynamics of such growth are in the Asia-Pacific region, with an average annual growth rate of 6.3%. However, the European market is experiencing a 1.5% annual growth rate.

At the same time, the analysis of the 10 largest textile exporters in the world in 2017 shows that if in 2017 the global textile export was $ 256 billion, then China was the leader with 5% compared to 43.0% in the previous year. Increased by 0%. Vietnam was the tenth (share 2) with the largest exporters - the EU (27.0%, growth 6.0%) and India (6.6% and 6.0% respectively). 7% and 18.0%). [1]

In recent years, the role of countries-exporters of finished textile products (clothes) has been changing. In particular, Hong Kong (China) fell from fifth to sixth in 2017, while India rose to fifth. In particular, China’s exports of ready-made textile products (apparel) in 2017 did not increase or decrease compared to the previous year, but its share in the world exports of finished textile products (clothing) is 39.6%. Exports of finished textile products (clothing) from the EU increased by 11.0% in the year under review and its share in the global market reached 32.6%. The highest growth rates were reported in Indonesia (+ 10.0%) and Vietnam (+ 9.0%). The highest rate of decline was observed in Hong Kong (-8.0%). One of the key factors in choosing a strategy for the development of textile enterprises is its sustainability. It can be summarized by the general indicator of sustainability of the enterprise.

\[ Z = 1,2 \cdot \bar{O}_1 + 1,4 \cdot \bar{O}_2 + 3,3 \cdot \bar{O}_3 + 0,6 \cdot \bar{O}_4 + 1,0 \cdot \bar{O}_5 \]

Where: \( Z \) - Enterprise sustainability; \( X1 \) is an indicator of working capital efficiency; \( X2 \) is an indicator of cumulative capital efficiency; \( X3 \) - enterprise efficiency; \( X4 \) - debt indices; \( X5 \) is an asset performance index.
\[ X_1 = \frac{O_{CP} - O_{KP}}{A}, \text{ here: } O_{CP} - \text{ working capital, } O_{KP} - \text{ short-term liabilities, } A - \text{ total assets.} \]

\[ X_2 = \frac{K_{HAK}}{A}, \text{ here: } K_{HAK} - \text{ cumulative capital (in previous years).} \]

\[ X_3 = \frac{\Pi_{K4J}}{A}, \text{ here: } \Pi_{K4J} - \text{ profit on the balance sheet.} \]

\[ X_4 = \frac{K}{\mathcal{D}}, \text{ here: } K - \text{ firm capital (intangible assets included in fixed assets), } \mathcal{D} - \text{ total debt of the firm.} \]

\[ X_5 = \frac{V}{A}, \text{ here: } V - \text{ Total product sold.} \]

The aforementioned indicators also \( Z \) indicate the effectiveness of the enterprise. If any, the enterprise is stable \( Z \)- less than 1.8 means it is unsustainable.

The brand has a unique function. It is advisable to consider these tasks in two groups. The first group is the responsibility of the developers of the brand, and the second is the brand's responsibilities to consumers.

The main functions of the brand strategy of textile export development are:

- Qulay it offers a good opportunity to stand out from its competitors;
- eliminates the obligation to compete only on price;
- promotes emotional interaction with the consumer;
- helps to keep staff at a fixed point;
- provide legal protection of the goods in all cases;
- Updates and streamlines the work with partners;
- Existing brand helps promote new products.

![Fig. 2: Brand functions][16]

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**Branding Features for Consumers**:

- Facilitate the selection of goods and services;
- Reduces risks (financial, psychological, social);
- Provides quality mark.

That is, the following model (Figure 3) was developed to systematically apply the research proposal, and it was planned to organize all the research activities within this model. [16]

![Fig. 3: Model of improving the brand strategy of textile export development][6]

**Fig. 3: Model of improving the brand strategy of textile export development** [6]

**Conclusions**

In short, the choice of a brand strategy for the development of textile exports to address the aforementioned problems will enable them to take into account the economic performance of an option that is superior to an alternative strategy, as well as measures to prevent ineffective investments.

**References**

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[4]. www.stat.uz
Fig. 2: Brand functions

- Updates and streamlines the work with partners;
- Qulay it offers a good opportunity to stand out from its competitors;
- The main functions of the brand strategy of textile export industry are:
  - Promotes emotional interaction with the consumer;
  - Eliminates the obligation to compete only on price;
  - Provides quality mark;
  - Facilitates the selection of goods and services;

Fig. 3: Model of improving the brand strategy of textile export industry.

Conclusions

References:


