



## **FACTORS INFLUENCING THE INCREASE IN THE LEVEL OF COMPETITIVENESS OF THE TEXTILE INDUSTRY ENTERPRISE**

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<b>Received:</b> 20 <sup>th</sup> July 2023 <b>Accepted:</b> 20 <sup>th</sup> August 2023 <b>Published:</b> 20 <sup>th</sup> September 2023	For the sustainable development of enterprises of any type, it is necessary to know the factors that affect its competitiveness. It is on this aspect that the future of a particular enterprise depends. Brand creation, staff training and many other factors that in one way or another contribute to the sale of goods are direct indicators of competitiveness. Competition stimulates development in all areas and directions, which has a positive effect on consumer satisfaction.

**Keywords:** textile industry, brand creation, innovation, market, consumer.

### **INTRODUCTION**

In Uzbekistan, as in many other countries, industry plays a key role in the development of the country. For example, in January-June 2022, the share of industry in the GDP of the Republic of Uzbekistan amounted to 29.2% (in January-June 2021 - 28.6%). If we consider this dynamics over the past 5 years, the share of industry in GDP was 26.2 – 29.2 percent[2]. If we talk about the amounts themselves, then in 2022 the amount amounted to a little more than 220 trillion. sum, only the service sector of 227 trillion is located higher. sum[3].

The industry includes not only textile, but also another industry, but the importance of the textile industry does not change in any way. For example, on December 14, 2017, by the decree of the President of the Republic of Uzbekistan "On measures to accelerate the development of the textile, garment and knitwear industry", the Uzteksilprom Association was established on the basis of the liquidated Uzbekyengilsanoat JSC. These figures, new decrees and the creation of a textile association are proof of the importance of this area.

The textile industry is evolving in step with the times, technology, tactics and attitudes are changing. According to D. Mukhamedova, adviser to the chairman of the Uzteksilprom Association, in 1995 only 10-13 percent of the cotton grown in Uzbekistan was processed, the rest was exported. At the same time, it is clear that the highest quality raw materials went to foreign markets. By 2021, we have completely stopped exporting cotton, we buy for the needs of our textile industry from our neighbors in Central Asia[4].

Uzbekistan has a well-developed production of cotton fiber, cotton and silk fabrics, raw silk, kenaf fiber, garments and shoes, the production of carpets and haberdashery. Currently, with the help of foreign firms, spinning and textile factories are being built in the country, which make it possible to increase the

degree of processing of raw materials. The largest enterprises of the industry are the Tashkent and Fergana textile mills, the Bukhara Cotton Mill.

The main centers for the production of raw silk and silk fabrics are located in Fergana, Namangan and Bukhara regions. In Namangan region and Khiva, the production of carpets and nonwovens is presented. The leather industry is most developed in Tashkent, Samarkand, Kokand and Bukhara[5].

### **REVIEW OF LITERARY SOURCES**

The literary world is not so rich in books about the competitiveness of the textile industry, but authors about marketing and competitiveness can be found in any library in the world. You don't have to tie yourself to a specific niche, as marketing works in everything from street cleaning to robotics. For example, Michael Eugene Porter's book on the analysis of the competitive structure of the industry, which is based on five basic market forces: intra-industry competition, the threat from potential competitors, the availability of substitute products, the market power of suppliers and consumers[6]. Or the textbook of Elena Ivanovna Kuznetsova, who in her work considered economic security and competitiveness [7]. You can also consider the book of such authors as: Elena Loginova, N. Vojvodina, A. Kulagina, V. Tolberg, who thoroughly analyzed what benchmarking is and its advantages [8]. In any case, uniqueness is important, but in order to achieve it, you need to know more about history, so as not to repeat past mistakes. And 5000 years of textiles, that's how much Jennifer Harris described in her book, is enough to learn everything you need [9].

### **METHODOLOGICAL ASPECTS**

The textile industry of Uzbekistan originated a long time ago, but did not have the ability to produce in large volumes, since there was no modern equipment. Over time, this has changed, the country

processes thousands of tons of cotton annually and this volume is increasing every day. However, until recently, namely until March 2022, for 12 years, Uzbek cotton and textiles were boycotted by 331 countries, the reason for this was child labor [10]. The problem has been solved, but another one arises: "How can we now gain the trust of other countries?"

It is important to focus on our successes, the country no longer exploits child labor, produces high-quality raw materials at an affordable price. It is necessary to focus the attention of the public on the merits of the products of our country, invest in advertising and PR so that world brands want to purchase goods.

To set a new direction in design, to add national features to the processed material, to reveal

the history of the textile industry of the country, which is more than 100 years old.

Improve quality control, improve the skills of workers, purchase modern equipment and monitor the implementation of the presidential decree on the development of the textile industry.

### ANALYSIS & RESULTS

The textile industry of Uzbekistan has changed a lot for the better over the past 10 years. Uzbekistan has stopped selling raw cotton, instead exporting threads and processed materials that are more expensive than raw cotton. By focusing on the export of textile products, the country will receive large profits, as well as new jobs.



**Fig.1. Infographics of exports of textile products of Uzbekistan in 2016-2021<sup>1</sup>**

<sup>1</sup><https://review.uz/post/infografika-eksport-tekstilnoy-produkcii-uzbekistana-v-2016-2021-gg>



In four years, exports managed to increase by 2.1 times: from \$ 899 million in 2016 to \$ 1867 million in 2020.

1. Technological innovation: The introduction of new technologies and equipment can reduce production costs, improve product quality and speed up the production process.

For example, China is one of the main exporters of textile products, capturing 10% of the world market [11]. They themselves produce modern equipment for processing raw materials, and also have cheap labor, which minimizes the cost of processing and exports textiles at a low price. By the way, this is the next factor affecting competitiveness.

2. Cost reduction: Reducing production and logistics costs allows you to reduce the prices of products, which makes them more attractive to consumers.

3. Improving product quality: Increasing the level of competitiveness is closely related to product

quality. Improving quality allows you to attract more consumers and increase profits.

4. Optimization of production processes: Improving the organization of work, reducing downtime, reducing costs - all this allows you to increase production efficiency and reduce costs.

5. Effective resource management: Planning and rational use of resources allows you to optimize the operation of the enterprise and increase its competitiveness.

Uzbekistan pays great attention to the development of the textile industry - in 2021, the authorities invested about \$1.1 billion in textile production, or 5.2% of the total investment in fixed assets in the republic[12].

6. Marketing and sales development: Effective promotion of products in the market, improving relationships with customers and partners can help increase sales and increase the competitiveness of the enterprise.

## Сделано в Узбекистане: как развивается местный текстиль

С начала года республика экспортировала готовые текстильные изделия в 26 стран

### Топ-3 покупателей узбекского текстиля (показатели за январь 2022, млн \$)



### Главные производители текстиля (январь-ноябрь 2021, предприятия)



Fig.2. Statistics of textile producers in Uzbekistan in 2021.<sup>2</sup>

<sup>2</sup><https://uz.sputniknews.ru/20220312/sdelano-v-uzbekistane-kak-mestnyy-tekstil-zavoevyvaet-rynki-23273761.html>



7. Employee development: Staff training and development can improve the quality of work, reduce the likelihood of errors and improve communication between departments.

8. Localization of production: Production in close proximity to the main markets allows you to reduce logistics costs and ensure faster delivery of goods to consumers.

This point is not so important if we consider Uzbekistan, since the markets are neighboring countries, which, therefore, are close. However, it is possible to locate enterprises directly in the country where the goods are sold. So, for example, did large companies like Mondelēz International or PepsiCo.

## CONCLUSION

The textile industry plays an important role in the economy of Uzbekistan, creating jobs and providing income for the state, and has a significant impact on the development of related industries, individual regions and the country as a whole. However, in order to remain competitive in the global market, the industry must constantly evolve and adapt to new technologies and consumer requirements.

The new development strategy stipulates that by 2025 Uzbekistan will stop exporting raw cotton and will fully ensure the processing of all cotton within the country [14].

This will allow the country to generate more income from cotton processing and reduce dependence on the export of raw materials. In addition, the strategy provides for the modernization of enterprises and the introduction of new technologies to improve product quality and reduce production costs.

Another important direction of the strategy is the development of infrastructure and logistics to ensure producers' access to markets. It is also planned to increase investment in education and training for the textile industry in order to provide qualified specialists for the growing sector of the economy.

In conclusion, we can say that the textile industry of Uzbekistan has significant potential for development, but requires significant efforts to achieve this goal. The introduction of new technologies, the improvement of product quality, the optimization of production processes and the training of personnel are key factors for success in the global textile market.

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