

PRACTICAL METHODS OF INCREASING EXPORT POTENTIAL FOR LOCAL BUSINESS

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Annotation: This article analyzes modern practical methods and mechanisms for increasing export potential for local business enterprises. The study examines the main obstacles encountered in the process of developing export activities, strategies for entering international markets, and ways to increase the competitiveness of local manufacturers. The article systematically analyzes the criteria for assessing export potential, adapting product quality to international standards, researching foreign markets, developing marketing strategies, optimizing the logistics system, and measures of support provided by the state. The results of the study show that in order to increase the export potential of local businesses, it is necessary to take an integrated approach, use innovative technologies, and expand international cooperation. The recommendations presented in the article are of practical importance for local entrepreneurs, export organizations, and government agencies.

Keywords: export potential, local business, international market, competitiveness, export strategy, product quality, marketing, logistics, state support, innovation.

In the context of globalization processes and the expansion of international trade and economic relations, the development of export activities of local businesses has become one of the important factors of economic growth and sustainable development of the country. As a result of large-scale economic reforms implemented in the Republic of Uzbekistan in 2017-2021, export volumes have increased significantly, but the export potential of local small and medium-sized businesses has not yet been fully realized.

According to the World Trade Organization (WTO), in developing countries, small and medium-sized businesses account for 20-30 percent of total exports, while in developed countries this figure reaches 60-70 percent. This indicates that there are great opportunities for local businesses to increase their export potential.

The relevance of the study is determined by the need to expand the export activities of local business enterprises, increased competition in international markets and the need for export diversification. The purpose of the article is to develop and improve practical methods for increasing the export potential of local businesses.

Criteria for assessing the export potential of local business enterprises Assessment of export potential is the first stage in determining the ability of a business enterprise to successfully operate in international markets. The following main criteria are taken into account in this process:

- Production capacity and product volume - the enterprise's ability to produce the amount of products necessary for export;
- Product quality and compliance with international standards - the presence of ISO, HACCP, GMP and other certificates;

- Financial stability - the ability to finance export operations and meet international payment terms;
- Innovation potential - the ability to introduce new technologies and methods;
- Personnel qualifications - the availability of qualified personnel capable of conducting export activities;
- Marketing and branding potential - the ability to create and promote an international brand.

When assessing export potential, the use of modern analytical methods such as SWOT analysis (strengths and weaknesses, opportunities and threats) and PESTEL analysis (political, economic, social, technological, environmental and legal factors) gives effective results.

Strategies for entering international markets and market selection The choice of an international market entry strategy depends on the resource capabilities of the enterprise, product characteristics and target market conditions. The main strategies include:

Direct export strategy - the manufacturer delivers its products directly to foreign buyers. This strategy has the following advantages: high profit margins, direct control of the market, direct contact with customers. However, there are also high costs and risks.

Indirect export strategy - the product is delivered to foreign markets through intermediaries, export companies or distributors. This method requires fewer costs and risks, but the profit margin is lower.

Joint ventures and strategic partnerships – facilitate cooperation, technology exchange and market penetration between domestic and foreign companies. This strategy is particularly effective for entering new and complex markets.

Franchising and licensing – allow for international expansion without large investments, but may weaken control over the brand.

The following factors are analyzed when selecting a target market: market size and growth rate, level of competition, entry barriers, cultural and legal environment, convenient logistical location, political stability.

Aligning product quality with international standards To succeed in international markets, product quality and safety must fully comply with international standards. For this, the following measures are taken:

1. Obtaining ISO 9001 (Quality Management System) certification - ensuring the stability of product quality;
2. ISO 22000 or HACCP (for food products) - food safety standards;
3. CE marking (for Europe), FDA approval (for the USA) - the product meets the requirements of the target market;
4. Ecological certificates (ISO 14001, organic product certificates) - important for environmentally conscious consumers;

Halal and Kosher certificates - necessary for Islamic and Jewish markets.

The certification process can be expensive, but this investment will pay off in the long run and increase the international credibility of the enterprise.

Export marketing strategies and branding

Digital marketing tools play an important role in modern export activities. An effective marketing strategy includes the following elements:

- Digital marketing - creating a website (in multiple languages), activity on social networks, advertising through Google Ads and Facebook Ads;
- E-commerce platforms - participation in platforms such as Alibaba, Amazon, eBay;
- B2B platforms - creating a profile on business platforms such as TradeKey, IndiaMART, GlobalSources;
- Participation in international exhibitions and fairs - meeting directly with customers and partners;
- Branding - developing a national brand and promoting the "Made in Uzbekistan" sign;
- Content marketing - high-quality information about the product, video presentations, customer reviews.

It is important to take cultural characteristics into account in branding – product name, design and marketing messages should correspond to the cultural values of the target market.

Optimize the logistics system and reduce costs An effective logistics system helps to reduce export costs and shorten delivery times. The main areas of logistics optimization:

- Choosing the right mode of transport – the optimal choice between road, rail, air or sea transport;
- Optimizing container transportation – full container loads (FCL) or less than container loads (LCL);
- Accelerating the customs clearance process – correct preparation of all documents, working with customs brokers;
- Using warehousing services – fast delivery in foreign markets through local warehouses;
- Choosing the right Incoterms terms – terms such as EXW, FOB, CIF, DDP allocate costs and responsibilities;
- Digital logistics platforms – tracking and managing cargo through platforms such as Freightos, Flexport.

Uzbekistan has logistical advantages as an important transit country in Central Asia and has the potential to become a major logistics hub in the Central Asian region in the near future.

State support measures and incentives The government of Uzbekistan is implementing a wide range of measures to support exporting enterprises. The main support measures are:

6. Financial support - export credit, loans and preferential financing programs;
7. Tax incentives - exemption from VAT for exported products, deductions in profit tax;
8. Customs incentives - exemption from customs duties on imported raw materials and equipment for export;

9. Education and consulting - free training, seminars and consultations for exporters;
10. Support for participation in exhibitions - reimbursement of expenses for participation in international fairs;
11. Compensation for certification costs - state subsidies for obtaining international certificates;
12. Export insurance – protection against international trade risks.

The Presidential Decree “On Measures to Further Support Export Activities” (PQ-4707, 2020) created additional opportunities for exporting enterprises.

7. Increasing export potential through innovation and digitalization

Modern technologies and digital solutions make export activities significantly more efficient:

- ERP (Enterprise Resource Planning) systems – integrated management of production, finance and logistics;
- CRM (Customer Relationship Management) – a customer relationship management system;
- Blockchain technology – cargo tracking and transparency in international payments;
- Artificial intelligence and big data – analysis of market trends, demand forecasting;
- IoT (Internet of Things) – real-time monitoring of production processes;
- Electronic payments and fintech – ensuring the speed and security of international payments.

Digitization is not only about reducing costs not to, but to obtain quick information about the market, better understand customer needs and make quick decisions.

Increasing the export potential of local businesses is a complex and multifaceted process, which includes the following main areas:

13. Systematic analysis and strategic planning - correct assessment of export potential, identification of target markets and development of a long-term strategy;
14. Quality and standards - bringing product quality into line with international standards, obtaining the necessary certificates and establishing constant quality control;
15. Modern marketing - using digital marketing tools, creating a strong brand and active participation in international platforms;
16. Logistics efficiency - optimizing transport routes, simplifying customs procedures and reducing costs;
17. State support - making full use of existing benefits and support programs;
18. Innovation and digitalization - introducing modern technologies, digitizing business processes and continuous innovative development.

The results of the study showed that in order to increase the export potential of local businesses, it is necessary to carry out consistent and comprehensive work in all the above areas. It is not enough to produce quality products or use state support alone - all elements must complement and support each other.

The development of export activities is not only an additional source of income for local businesses, but also a means of technological progress, international experience and increasing competencies. Competition in international markets encourages local businesses to seek innovative solutions, improve production processes and adhere to high quality standards.

In the future, it is recommended to work on the following areas to further increase the export potential of local businesses: expanding the system of training centers and trainings, developing export consulting services, expanding the cluster approach, strengthening international cooperation, and creating digital export platforms.

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