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FEATURES OF IMPLEMENTATION OF ALTERNATIVE WAYS OF SALE OF CARS IN UZBEKISTAN

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Abstract: This article is the result of a dissertation research within the framework of the project to create an electronic platform for the sale of cars in Uzbekistan. It reflects the brief results of the introduction of alternative ways of selling cars, in particular, the data of e-commerce of the Republic of Uzbekistan in 2020 in the context of regions are presented and systematized, the fundamental principles of integrating business processes, the automation of the main business processes of e-commerce in cars, as well as an econometric analysis of dependence car sales from various factors.

Keywords: distribution channels, automotive products, alternative distribution channel, distribution networks, e-commerce, business processes, business process integration.

Introduction
The study of the problems of the development of the world automobile market in the context of the globalization of the world economy leads to increased competition in the world automobile market. The further formation of common approaches and principles of the automotive sector of the economy of each country is associated with the provision by many countries of protectionist measures to protect the domestic automotive market, the provision of most favored nation treatment to domestic manufacturers. In this regard, a comprehensive analysis of marketing tools and the main trends in the development of the global automotive market for passenger cars is of particular importance.

Taking into account the highest competition in the global automotive market, the dominance of automotive transnational corporations, the peculiarities of the functioning of this market in countries with a developed competitive environment and countries with emerging markets, the problem of improving the marketing policy for selling cars is relevant in scientific, theoretical and practical terms.

The Republic of Uzbekistan is the first country in Central Asia to have mastered the production of cars on its territory. In the long term, the automotive industry contributes to the development of the country's economy through the development of the chemical and oil industries, mechanical engineering, non-ferrous metallurgy, and the electric power industry [1,2,3].

In the domestic and foreign markets (especially among the CIS countries), Uzbek cars are in high demand. However, the crisis in the Russian car market
contributed to a decrease in the volume of exports of cars of Uzbek car manufacturers, which gave rise to a number of problems with the sale of manufactured cars. In these conditions, the improvement of the marketing policy for the sale of cars in the Republic of Uzbekistan is of particular relevance.

**Literature review**

The analysis of the current state of the automotive industry in Uzbekistan was carried out in the works of G.K. Tarakhtiyeva, H.N. Zhakhonov.

Marketing policy issues for the sale of cars are considered in the scientific works of I.V. Lazirenko, M.I. Kulichenko, A.L. Orlova, E.A. Kasatkina, A.V. Pasko. However, marketing in the automotive business today is one of the least developed sections of domestic marketing. There is no serious scientific analysis of the national automobile market, the characteristics of its regional components. In this context, the study of the features, technologies and consequences of the marketing policy for the sale of cars appears to be not only an urgent, but also a poorly studied problem.

The issues of alternative distribution channels and e-commerce were considered in the works of M.I. Kulichenko, O. P. Mikhailova, A.A. Aleinikova, A.V. Logutova, Yu. O. Lan, Yu. M. Shchetinina, S. V. Ryndina, A. V. Kareva. However, in the works of these researchers, alternative sales channels were not considered in relation to the automotive industry of the Republic of Uzbekistan.

**Research methodology**

In the process of preparing a scientific article, such general scientific, formal-logical, specific research methods, classification, generalization, horizontal and vertical analysis, econometric modeling, empirical research, forecasting were used.

**Analysis and results**

In a competitive economy, focusing all business activities on the needs of the buyer or user is the only way to do business. End-user orientation means focusing efforts at all levels of the organization towards creating value for the customer, understanding and anticipating his needs.

Sales networks, on the one hand, connect the manufacturer and the end user, on the other hand, they contribute to their separation. For example, a manufacturer has complete information about its cars, but has a poor idea of the target audience and its needs, and the intermediary is vice versa. As a result, the effectiveness of the sales policy is reduced. To take into account the needs of the car consumer, it is necessary to develop integrated business processes in a virtual environment, in which various organizations are included in a single integrated business process through the use of Internet technology [6,7].
Currently, e-commerce is successfully developing in Uzbekistan, thanks to the development of high-speed Internet and electronic trading platforms in the country. The COVID-19 pandemic has accelerated the development of e-commerce, whose growth rate has increased significantly due to the presence of restrictive measures.

**Table 1**

<table>
<thead>
<tr>
<th>Region name</th>
<th>Volume, mln. UZS</th>
<th>Specific gravity,%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tashkent city</td>
<td>212230,3</td>
<td>77,1</td>
</tr>
<tr>
<td>Tashkent region</td>
<td>29978,3</td>
<td>10,9</td>
</tr>
<tr>
<td>Fergana region</td>
<td>14785,4</td>
<td>5,4</td>
</tr>
<tr>
<td>Samarkand region</td>
<td>8572,5</td>
<td>3,1</td>
</tr>
<tr>
<td>Namangan region</td>
<td>5177,1</td>
<td>1,9</td>
</tr>
<tr>
<td>Khorezm region</td>
<td>1689,4</td>
<td>0,6</td>
</tr>
<tr>
<td>Kashkadarya region</td>
<td>1582,5</td>
<td>0,5</td>
</tr>
<tr>
<td>Jizzakh region</td>
<td>671,0</td>
<td>0,2</td>
</tr>
<tr>
<td>Syrdarya region</td>
<td>218,6</td>
<td>0,1</td>
</tr>
<tr>
<td>Andijan region</td>
<td>213,4</td>
<td>0,1</td>
</tr>
<tr>
<td>Surkhandarya region</td>
<td>156,8</td>
<td>0,08</td>
</tr>
<tr>
<td>Navoi region</td>
<td>35,2</td>
<td>0,02</td>
</tr>
<tr>
<td>Total</td>
<td>275310,7</td>
<td>100</td>
</tr>
</tbody>
</table>

The data in the table indicate that the largest share in e-commerce is occupied by the city of Tashkent, as well as the Tashkent, Fergana and Samarkand regions; that is, e-commerce is best developed in the capital and in large cities, due to the large number of high-speed Internet connections, higher income levels and computer literacy of the population.

Repetitive actions taken by buyers and sellers to achieve a certain result are called business processes. The main difference between a business process and a technological process is that in the technological process one well-defined result is assumed at the output. The business process does not always bring immediate profit to the company. The introduction of a process-oriented approach and the implementation of business processes are aimed more at something else to obtain greater efficiency at the same costs.
Internet technologies provide more efficient and effective direct contact between manufacturers and their end users. At the same time, Internet technologies have lowered barriers to entry for other entrepreneurs with new ideas to help customers find, evaluate and buy new cars.

Dealer consolidation can provide significant savings through support services, increased purchasing power, reduced inventory, reduced investment flow in construction and real estate, and streamlined service delivery by moving them to virtual space [8,9].

Internet technologies provide collaboration and interactive tools that meet the expectations of today's consumers for more personalized relationships.

Let's consider the fundamental principles of integrating business processes (Fig. 2).

---

1 Developed by the author
An important indicator of the quality of the execution of business processes is the client's satisfaction with their result. Customer (customer) relationship management is an important component of an enterprise's business processes. For a company focused on the sale of high-value goods, which includes a car, the ability to build relationships with potential buyers is the backbone of the business. The number of clients of such a company is rather small, while each customer brings significant profits.

To date, to implement the strategy of an individual approach to the client, systems for automating customer relationships are widely used - CRM (Customer Relationship Management) systems, which store information about the client, his preferences, the history of the company's interactions with the client (calls, notifications, etc.). Customer information stored in the CRM system allows for customer segmentation, development of business processes that take into account the similar needs of each customer segment, create scenarios for effective interaction with customers when designing customer service business processes [5,10].

Consider the benefits of automating basic e-commerce business processes (Figure 3).
The benefits of automating business processes are largely related to improved customer service. Reducing operating costs through automation should not result in a large number of unhappy customers. Customer focus in automated business processes can be implemented as follows: when executing an instance of a business process related to customer service, company employees can periodically refer to information about it in the CRM system. There is no direct participation of the client himself in such business processes; an employee of the company interacts with him, who processes the application, notifies the client about changes in the order, etc.

Automation of each individual business process includes workflow automation, and support for such management functions as planning, organization, activation, coordination, control.

It should be noted that, depending on the client's actions, the operation performed by the automated system has a different result (Table 2).

**Table 2**

<table>
<thead>
<tr>
<th>Operation</th>
<th>Scenario 1</th>
<th>Scenario 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Client Action</td>
<td>System Action</td>
<td>Client Action</td>
</tr>
<tr>
<td>Registration and entrance to the site with username and password</td>
<td>Registration and login completed successfully</td>
<td>Error while entering the site</td>
</tr>
</tbody>
</table>

---

3 Developed by the author
Drawing up an application for a car of a certain brand and configuration | The application was successfully completed by the client and sent to the site | Go to the next stage of the algorithm | Required fields are missing in the application, it cannot be sent | It is suggested to check the completion of all required form fields

Reply to the client on the received application | - | The application has been successfully accepted and agreed with the manufacturer. An invoice has been issued for payment. | - | For various reasons, this model or complete set is out of stock or out of production

Offer to the client about the choice of other characteristics of the car | The client agrees to change the brand or equipment | Drafting a new application | The client does not agree to change the brand or equipment | End of interaction

After the approval of the application and invoicing for payment, further operations are carried out according to a single algorithm, including partial or full payment, obtaining a loan or insurance (if necessary), delivering a car or receiving it from a dealer.

This approach is aimed at protecting the interests and convenience of the end user, which contributes to building long-term relationships with customers.

Consequently, the marketing policy of alternative distribution channels should be maximally focused on the needs and wishes of customers. However, due to the lack of experience in selling cars through electronic platforms, it is impossible to quantify the effectiveness of these sales and predict their volume.

The author has developed an econometric model that determines the dependence of cars sold on the volume of e-commerce in the Republic of Uzbekistan, on the number of Internet users in the country, the length of fiber optic lines, and on the population in Uzbekistan (Table 3).

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Y</td>
<td>Total number of cars sold, pcs</td>
<td>14376</td>
<td>151592</td>
<td>163637</td>
<td>90973</td>
<td>98700</td>
<td>167182</td>
<td>197103</td>
<td>232794</td>
</tr>
<tr>
<td>X1</td>
<td>Volume of e-commerce, min. UZS</td>
<td>5250</td>
<td>12154</td>
<td>184204</td>
<td>20287</td>
<td>31069</td>
<td>55224</td>
<td>101300</td>
<td>275311</td>
</tr>
</tbody>
</table>

Table 3

Econometric model parameters

Compiled by the author based on the data of the State Committee of the Republic of Uzbekistan on Statistics https://stat.uz/ru/
<table>
<thead>
<tr>
<th>X2</th>
<th>The number of Internet users, million people</th>
<th>6.2</th>
<th>7.0</th>
<th>9.5</th>
<th>12.1</th>
<th>14.7</th>
<th>20.0</th>
<th>22.0</th>
<th>22.5</th>
</tr>
</thead>
<tbody>
<tr>
<td>X3</td>
<td>Length of fiber-optic communication lines, thousand km</td>
<td>7.8</td>
<td>9.1</td>
<td>11.2</td>
<td>17.9</td>
<td>20.3</td>
<td>26.6</td>
<td>36.6</td>
<td>68.6</td>
</tr>
<tr>
<td>X4</td>
<td>Population of Uzbekistan, million people</td>
<td>28.3</td>
<td>28.5</td>
<td>29.1</td>
<td>29.5</td>
<td>29.9</td>
<td>30.1</td>
<td>30.8</td>
<td>33.5</td>
</tr>
</tbody>
</table>

The calculations were performed using the Sata14 program.

![Figure 4](https://uzjournals.edu.uz)

**Figure 4 - Calculations of the econometric model in the Stata14 program**

All coefficients are significant at the 5% significance level, the model is significant in general, factor X4 and the intercept are not statistically significant and reliable.

As a result of the calculations, the multiple regression equation was obtained:

\[ y = 0.232X1 + 0.201X2 + 0.129X3 \]  

(2.3.1)

The economic interpretation of the econometric model is as follows: The resulting regression equation can be interpreted as follows:

---

5 Скриншот расчета эконометрической модели в программе Stata 14
- Growth in the volume of e-commerce in the Republic of Uzbekistan by 1 million soums. contributes to the growth of car sales through the electronic platform for 0.232 cars;
- An increase in the number of Internet users by 1 million people. promotes sales growth of 0.201 vehicles through an alternative distribution channel;
- An increase in the length of fiber-optic lines by 1 thousand km. contributes to an increase in car sales through an alternative distribution channel by 0.129 units;
- The population of Uzbekistan is not significant in this correlation model.

Therefore, the development of alternative channels for car sales is directly influenced by the development of telecommunications infrastructure.

**Table 4**

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Fact</th>
<th>Forecast</th>
<th>Trend equation or calculation formula</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2018 y.</td>
<td>2019 y.</td>
<td>2020 y</td>
</tr>
<tr>
<td>The volume of e-commerce, mln. Soums.</td>
<td>55224</td>
<td>101300</td>
<td>275311</td>
</tr>
<tr>
<td>Y=174011x-72711</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The volume of car sales through electronic platforms, pcs.</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Y=3534.6ln(x)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of Internet users, million people</td>
<td>20.0</td>
<td>22.0</td>
<td>22.5</td>
</tr>
<tr>
<td>Y=0.7213ln(x)+22</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The choice of the shape of the curve is also made on the basis of the accepted quality criterion of the regression equation, which is the sum of the squares of the deviations of the actual values of the series level from the values of the levels calculated by the trend equation.

Its parameters were estimated by the least squares method. It was also found that the parameters of the model are statistically significant. The obtained estimates of the regression equation allow us to use it for forecasting.

The calculations revealed the dependence of the volume of e-commerce, and in particular, car sales, on the degree of development of the telecommunications infrastructure.

---

6 The trend equations were calculated using the Stata 14 program.
The world in the digital space is becoming personalized and predictive. The most important competitive advantage of digital trade participants is the ability to analyze and market modeling: demand, supply, costs.

The increase in customer focus in e-commerce is beyond doubt, which has been proven by the successful solution of the following marketing tasks in the process of selling cars via the Internet platform (Fig. 5).

- Customer retention due to a high level of service and timely solution of all problems arising in the process of interaction.

- Providing a "shocking" high level of service, which, by surprise, will force the client to share information about it with their acquaintances in real life or friends and subscribers on social networks.

- Increase in average customer check to offset the growing cost of acquisition.

- Increasing purchase frequency without significantly increasing communication costs

**Figure 5 - Growth of customer focus in car sales when selling through an electronic platform**

The use of modern software tools allows the construction of a system for processing complaints and customer requests, makes it possible to register each customer's request regardless of the channel of its receipt, and automatically track the process of its processing.

The classification of customer calls when choosing and selling a car is summarized by the author in table 2.3.6.

Sales policy optimization provides for the sale of vehicles through alternative sales channels (electronic platforms). The development of online car sales is helping to reduce sales costs, thereby lowering the cost of cars.

For an individual approach to the client, CRM systems and automation of business processes are used, which allows sellers to most accurately take into account the needs of customers, and customers to make purchases in a convenient mode for them.

The econometric model compiled by the author, calculated in the Stata14 program, made it possible to draw a conclusion about the direct relationship between alternative channels for car sales and the development of...
telecommunications infrastructure and made it possible to calculate the predicted values of e-commerce volumes and car sales through electronic platforms for the period 2022-2030.

**Conclusion and recommendations**

1. Analysis of the car market in Uzbekistan made it possible to conclude that the sale of cars of domestic manufacturers is carried out mainly through dealerships or distributors on a contract basis. The share of domestic cars is in the range of 90-99%. However, in 2019, customs duties were changed, which contributed to an increase in the demand of residents of Uzbekistan for imported cars.

2. Calculation of the econometric model revealed the dependence of the volume of car sales in the Uzbek market on the volume of sales of domestic and imported cars, as well as on the volume of imports and exports.

3. The existing channels of sales of cars are considered, their efficiency is determined.

4. The target audience is highlighted, ready to use alternative channels for the sale of cars. It is necessary to develop alternative sales channels (electronic platforms), since traditional sales channels allow only a small part of the necessary operations to be carried out via the Internet.

5. Optimization of sales policy, providing for the development of electronic platforms for selling cars via the Internet, helps to reduce sales costs, thereby reducing the cost of cars.

6. To focus on the needs of each client, it is necessary to automate each business process that accompanies the sale of a car via the Internet.

7. Using the Stata 14 program, the forecast values of the volume of car sales through alternative sales channels for the period 2022-2030 were calculated.

8. Sales policy, implemented using electronic platforms, due to the personalization of the service, increases customer focus and customer loyalty.

**References:**


