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MARKET ORIENTATION OF THE MARKETING STRATEGY OF SMALL BUSINESSES

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Abstract

The article presents the results of a study to determine the characteristics of the market orientation of a small business marketing strategy. Taking into account the significance of the development of small and medium-sized businesses, as well as the proven theoretical connection between market orientation and entrepreneurial activity, features of adapting this concept for small and medium-sized enterprises are presented. According to the results of the study, when implementing market orientation, not only the main problem areas faced by small businesses were identified, but also the advantages and necessary conditions for its development in this area: the level of market orientation of small businesses, knowledge (understanding) of the essence of entrepreneurship and its values, establishing close relationships with consumers and major retailers, and integrating marketing. All this, as a result, provides a common platform for creating a market-oriented situation and improving it will help to better understand the processes necessary to orient an enterprise to the market and consumers.

Keywords: market orientation, marketing, formation of market orientation, small business, marketing management.

Introduction

A lot of scientific work has been done by scientists for many years to define what exactly "market orientation" means. The concept of market orientation is being developed and its measurement methods and scales are being refined. Among scientists, the interest in studying this problem is primarily related to the income that market-oriented enterprises receive: an increase in the level of use of innovations by enterprises, an increase in their competitiveness, and ultimately an improvement in financial results. Increasing the competitive advantage and profitability of market-oriented enterprises is achieved by creating the highest value for the consumer, which leads to an increase in overall consumer satisfaction [2, 6].

The concept of "market orientation" is slightly different from the concept of "marketing orientation", because in the latter case only one structural unit of the enterprise can be related to the responsible function, while market orientation affects the philosophy and activity of the enterprise as a whole [1,4].

Analysis of Literature on the Topic

In the research of the Russian scientist N.A. Lisechko, small enterprises objectively exist and develop as a relatively independent sector of the modern market economy and are of great socio-economic importance, because they ensure socio-political stability, can mitigate the consequences of structural changes, and quickly adapt to changing market needs. stated that [9]. As soon as the company can adapt its market-oriented strategy to the market in changing market conditions, it will serve the future success of the company.

V.A.Stefanov and I.A.Adamchuk - small business plays an important role in the economy of any state, small business entities are assigned very specific tasks that are not performed by other economic entities, small businesses unite all links of the market economy, this function of their "patch economy" "promoted the prevention of the so-called process in their scientific works [10]. In fact, from their approach, another important task of small enterprises is to be able to create a competitive environment, which is based on the flexibility of their market demand.

Also, one of the local scientists, F.T. Kasimova, in her scientific work, defined that the economic and social importance of small business lies in the fact that it is aimed at meeting local needs, developing the region, and solving socio-economic problems locally. According to various estimates, economists make 25-30% of the contribution of small business entities to the GDP, and the norm of this indicator is 50% in developed countries, and they emphasized that the development of small business in Uzbekistan is not only a hot topic of discussion, but also a promising direction [11].

Z.N. Rakhmatov, taking into account that the mechanism of formation of marketing communication activities and its implementation is a continuous process, he emphasized the appropriateness of adapting marketing communication activities that show the important stages of this mechanism to the market orientation strategy of small enterprises and applying it to the marketing activities of the enterprise [12].

Research Methodology

In order to collect information, in-depth interviews were conducted with the selected enterprises using a guide based on the proposed definition of market orientation.

Below is a look at the most commonly quoted rates for market orientation

- putting the interests of consumers first, without excluding the interests of others (founders, management, employees), is the strategy of the enterprise to work with income in the long term [4].
- market orientation is the determination of current and future market demand, then the distribution of this information to all departments of the enterprise and the response to it throughout the enterprise [1].
- market orientation consists of three behavioral components consumer orientation, competitor orientation, and cross-functional coordination [4].
- market orientation represents the highest knowledge and skills in determining consumer demand [5].

Currently, there are four main directions in the study of market orientation:

- 1. Business philosophy [3, 4].
- 2. Information flow [1, 7].
- 3. Behavior [6].
- 4. Method of organizing education [5].

Despite certain differences in the definitions given in the concept of market orientation, the generalizing element of all studies is the distribution of market orientation: orientation to consumers and competitors, coordination of mutual activities. However, learning in one of the above directions can be noted as a limitation of the existing approaches. In this case, all attention is focused on consumers and competitors, completely ignoring the developing relationship between other market participants. This is the biggest gap in the study of market orientation, because the highest consumption value depends on the actions of all enterprises in the value chain.

Undoubtedly, the complexity of the precise interpretation of the market direction shows the multidimensionality of the phenomenon. We view market orientation as a continuous process, and the appropriate organizational culture develops strategy and specific structures necessary to create the highest value for consumers. Such a definition of market orientation aims to overcome the shortcomings of existing theories. In addition, it helps to define units of measurement in the process of evaluating and improving market orientation.

Thus, 6 enterprises that provided the necessary information were selected and agreed to be interviewed. 6 enterprises were differentiated by size: 2 medium-sized enterprises, 2 small and 2 micro-enterprises, as well as by type of industry. In addition, the questionnaires included questions about the activities of enterprises, which made it possible to assess their market orientation. Interviews were conducted with the founders and senior managers of the enterprise, which ensured the certain reliability of the obtained data, as well as the interpretation of the market situation of the direct participants in determining the activities of the enterprise, and determining the relationship with partners.

The personality of the small business owner is one of the most important factors in the formation of the company's culture. Accordingly, based on the directions set by the entrepreneur, the behavior model of the employees, the company's strategy and business processes are formed. In most cases, the entrepreneurs themselves are the initiators of the company's consumer orientation strategy. Almost all respondents to the survey indicated the quality of customer service as a factor leading to success in a competitive environment.

The entrepreneur's personality also affects the formation of the general internal environment in the enterprise as an important factor. The result of this influence can be both positive and negative. In some interviews, it was noted that business leaders "if someone's opinion is different from others, they will listen to them." knows how to convince and inspire, but at the same time does not accept their criticism." Thus, he explains in a stricter order that if the opinion of the workers does not correspond to his ideas, he should not forget where his place is. Such a sphere of influence of an entrepreneur always affects the internal environment of the enterprise In turn, it can negatively affect the innovation of the enterprise, the motivation

of employees and the use of their knowledge in their work, including improving the quality of customer service.

Focusing marketing strategy on customers, suppliers and competitors. Small business founders often do not have a clear understanding of the goals and objectives of the enterprise. Many entrepreneurs act intuitively, at the level of "seeing" due to lack of knowledge. In addition, strategic planning and operational management functions are mostly combined in small enterprises. For example, the director of a trading company takes on many operational functions, or, as the respondents answered, "performs all the functions of the company in part".

The close relationship of business owners of small businesses with consumers determines their advantage over large enterprises. This allows small business owners to better understand what consumers expect from their products and services. According to the director of a company operating in the field of coworking, "I get information about the needs of consumers directly from the consumer in the process of selling services." Knowing the needs of consumers in long-term relationships increases the innovative potential of enterprises and allows for mutual adaptation with consumers. For example, discussing the volume of purchasing products with consumers The information obtained during the production made it possible to further expand the range of the enterprise to meet the needs of consumers.

According to the opinion of almost all the respondents who took part in the survey, the establishment of cooperative relations with consumers and suppliers is one of the most important factors for achieving success in the enterprise. In an unsaturated market, the process of choosing a supplier and a consumer in a semi-competitive relationship with competitors covers many elements that are common in collaborative activities, such as technological capabilities, quality assurance, but still price remains the leading factor in decision-making [8].

Nowadays, the competitive environment is high in the markets of almost all sectors of our country. However, most businesses do not analyze or study their competitors. According to the respondents, it is absolutely necessary to study competing enterprises, because based on the obtained information, changes in the assortment, price level, appropriateness of the implemented actions and the reaction of consumers to them are evaluated. Consumer feedback research is carried out by a small number of enterprises, which means that surveys are not conducted regularly. If surveys are carried out regularly, all members of the enterprise will be aware of the needs of consumers through regular delivery of this information to all employees of the enterprise. This ensures quality feedback with consumers. All company managers want to conduct quality marketing research, but the financial capabilities of the company do not always allow it. Due to the lack of a sufficient analytical base on consumers, enterprises do not have the opportunity to form an adequate loyalty system, therefore, the main attention is focused on the use of standard methods of assortment development and sales.

The level of profitability was also explored during the interviews conducted as part of our study. Almost all entrepreneurs are not completely satisfied with their margins, but the main

reason is the post-pandemic crisis situation. At the same time, many noted that margins were good before the crisis.

Conclusions and Suggestions

Despite the small scope of the research, we can highlight not only the main problem areas faced by small businesses in the implementation of the marketing direction, but also the directions of its development. The market orientation of small and medium-sized enterprises largely depends on the knowledge of the entrepreneur and the values he conveys to his employees. In this regard, the fact that an entrepreneur is the sole manager of a business can have both positive and negative effects on the enterprise.

Close relations with consumers and suppliers allow us to quickly adapt to changes in the external environment and quickly respond to new needs of consumers. The absence of marketing planning is often counterbalanced by processes aimed at serving consumers, with entrepreneurs relying on their instincts to learn market trends.

Small and medium-sized enterprises have a simple organizational structure, there are cases of duplication of some functions, and marketing integration is associated with the absence of a marketing department in small enterprises. At the same time, all this can become a kind of common platform for improving market orientation.

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