

THE IMPORTANCE OF DEVELOPING FOOD MARKETING IN DEVELOPING COUNTRIES

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Abstract

This article analyzes the theoretical foundations of some of the existing problems in the development of food marketing in developing countries, the role of developing countries in the global food security system.

Keywords: global food system, market, resources, marketing, economy, labor, food, demand and supply, capital movement.



Introduction. In recent years, as in all sectors of the world economy, significant changes are taking place in agriculture. At the same time, the changes include the delivery of agricultural products to buyers without losses. The concept of food marketing management is frequently used in this field. One of the main reasons for the focus on this issue is that the bulk of food in this area is products that are needed for consumption. Therefore, even if prices rise, demand for them will not decrease. Locally produced products are closely related to human activities. At the same time, food expenditures have a significant share in the total expenditures of the population. Therefore, it is important to deliver food products to consumers in the most efficient ways and use marketing in this regard [7]. Declining supply at a time when demand for food is rising will pose a challenge to future food security [2]. To overcome this problem, first of all, it is necessary to accelerate the introduction of advanced, intensive technologies in the industry, the supply of grown food products to consumers without losses, the attraction of direct investment in agriculture.

Literature analysis and methodology. This article examines Kriesberg's marketing effectiveness in developing countries, the World Food and Agriculture Organization's reports and articles on agriculture, trade and food security, the author's articles on the subject, as well as articles published in international online publications.

The abundance of resources in developing countries, the availability of food markets, and the growing economic openness of these countries are becoming a great opportunity for many investors [3]. This, of course, forces food companies in these countries to think about increasing their competitiveness. The effective implementation of marketing policy in the food sector of the country in many respects depends on such factors as the state policy in this area, the level of competition, living standards, quality of education, the provision of the industry with specialists.

Methods such as observation, document handling, study of historical facts, induction, deduction, and discussion were used in the study of food marketing for developing countries.

Results and discussion. As the focus of the labor force in developed countries is shifting to other more lucrative sectors, the lack of resources is expected to be offset by future global food security at the expense of developing countries. Observations show that in recent years, the world's fixed

capital flows have shifted from developed to developing countries [4]. Because developing countries have cheap and sufficient labor force, land as the main means of production, the share of agriculture in GDP is high, as well as population growth, which means new markets, resources and high profitability.

Along with the high share of agriculture in the economies of developing countries, this sector is also profitable, with the majority of the employed population engaged in agriculture. At the same time, the bulk of the population's income is spent on food. Kriesberg points out that this could be as much as fifty percent of total revenue and more. In the United States, the figure is 12%, and in Western Europe it is 16-19% [5]. The above data suggest that improving the system of food production and sales in agriculture in developing countries is an important factor in improving the welfare of the population.

At a conference organized by the Food and Agriculture Organization of the United Nations, Konstantin Michalopoulos outlined four groups related to food trade in developing countries: , Cairns Group a group of agricultural commodity exporters of which it is a member; secondly, a large group of countries with agricultural sectors responsible for the export of various agricultural products, as well as food importing countries such as India and other countries; thirdly, countries with a certain type of small agricultural sector, which face great difficulties in competing in agricultural trade due to climatic conditions or limited land (e.g. small island economy), and finally the fourth group includes a small group of high-income developing countries, many developed countries as such, it prioritizes many of the functions it performs in agriculture, regardless of efficiency and productivity. If we analyze the rapidly developing Chinese food trade market, we can see that the share of virtual markets is increasing year by year (Table 1).

From the data in the table, we can see that from 2015 to 2021, it increased from \$ 22.16 billion to \$ 90.37 billion, accounting for 52% of total sales. By the end of 2022, this figure is expected to increase further. It should also be noted that the share of e-commerce in total trade has accelerated further due to the pandemic. Even Alibaba, China's largest e-commerce company, is offering its services as an e-supermarket chain in the United States. In the Hema system, orders for ready-made food are received and delivered

Table 1

The share of e-commerce in the Chinese food market (in billions of dollars)

Years	2015	2016	2017	2018	2019	2020	2021	2022 (forecast)
The amount of e-commerce	22.16	32.27	43.4	55.63	68	79.75	90.37	99.63

to buyers by courier services. However, development in China is not a feature of all developing countries.

At a conference organized by the Food and Agriculture Organization of the United Nations, Gretchen Stanton of the World Trade Organization (WTO) presented at least six policies to strengthen food security in developing countries in her report on Agriculture, Trade and Food Security: Issues Review [8]. These are: peace, efforts to strengthen the purchasing power of the low-income population, the effective organization of the system of production and sale of food products, sustainable growth to ensure adequate food supply to the population, the provision of safe and efficient food products, providing food assistance in emergencies [7].

We want to focus on food security and trade relations in developing countries. This is because developing countries have enough problems with food production and trade in agriculture. An analysis of domestic food prices for 58 developing countries, according to the Food and Agriculture Organization (FAO), shows that in about 80 percent of cases, food prices rose 12 percent from 12 months ago and 40 percent from three months ago [9]. These data show how relevant the issue of liberalization of trade in agricultural products is. Trade liberalization will be addressed by activating the marketing mechanism of agricultural producers.

Conclusion. Effective organization of food marketing in developing countries has the following common challenges for export development:

1. Direct state intervention in the activities of food producers.

2. Lack of financial resources.
3. Lack of modern equipment and advanced technologies.
4. Various customs barriers to entering the markets of developed countries.
5. Lack of specialists.
6. Low purchasing power of the population.
7. There are problems in the country, such as harming competition by granting special privileges to certain manufacturing entities.

It is also influenced by objective factors such as natural processes, seasonality, price and inelasticity of demand.

To the development of food marketing in developing countries:

1. Production growth.
2. The introduction of a new trading culture.
3. Significant changes are taking place, such as the entry of a strong competitive environment.

These reasons are leading to rapid changes in the food value chain in developing countries. A food value chain is a set of actions related to the delivery of food products prepared by farms or ranchers to consumers. This includes the production, processing, storage, distribution, sale and consumption of agricultural products. Initially, most of the food was grown for personal consumption and exported to nearby stores for sale. To date, intermediaries, processors, suppliers, retailers and wholesalers from manufacturers to consumers have joined, and the food value chain has expanded. As the city's population expanded, consumers began to buy their products from supermarkets.

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