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THE ROLE AND IMPORTANCE OF CLUSTERS IN INCREASING THE COMPETITIVENESS OF TEXTILE PRODUCTS

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Abstract: In this thesis, the development of the textile industry of our country, the importance of clusters in increasing competitiveness in international markets, factors affecting competition, the degree of processing of clusters and their relevance in creating added value, as well as their role in the growth of the country's economy and gross domestic product importance is given. At the same time, PEST analysis was used to ensure the competitiveness of clusters.

Keywords: Textile system, diversification, cluster system, value-added products, deep processing, competitiveness, export volumes, international standards, cotton fiber, reforms, technological modernization, technological equipment, cooperation.

Аннотация: В данном работе рассмотрены развитие текстильной промышленности нашей страны, значение кластеров в повышении конкурентоспособности на международных рынках, факторы, влияющие на конкуренцию, степень переработки кластеров и их актуальность в создании добавленной стоимости, а также их роль в Приведено значение роста экономики страны и валового внутреннего продукта. При этом PEST-анализ использовался для обеспечения конкурентоспособности кластеров.

Ключевые слова: текстильная система, диверсификация, кластерная система, добавленная стоимость, глубокая проработка, конкурентоспособность, объем экспорта, международные стандарты, хлопковое волокно, реформы, модернизация, технологическое оборудование, сотрудничество.

Today, big changes are being made in the textile system among the stable industries in our country. The doubt is determined by the diversification of the system. In 2017, an important step was taken in the development of the textile sector, which is one of the leading sectors of the country's economy. In doing so, the cluster system was laid for fundamental reform of the industry, incentives for entrepreneurs in deep processing, production of value-added products, improvement of regional infrastructures, improvement of population welfare and employment

indicators. It is known that a cluster means the production of competitive products as a result of uniting enterprises, deep processing and cooperation towards a common goal.

Undoubtedly, system clustering forms the following.

-Management is formed in one system, and productivity indicators of cocktail increase.

-Problems that may arise in the production process are solved on the spot.

-Deep processing and value-added products are developed.

-The cost of the product will decrease and the competitiveness indicators will increase.

-Production costs are reduced. In the case, transportation, delivery of raw materials etc.

-Effectiveness in management is achieved and time management is properly distributed.

-Production and export volumes will increase .

-Opportunities to compete in international markets become easier, and product competitiveness indicators are achieved.

-The economy of the country, the infrastructure of the regions, the level of employment and the welfare of the population are increasing.

-The gross domestic producing per capital will rise and income of the population will increase.

-In the personal system, rotational work is used in practice. In this case, personnel become aware of the work of each economic unit and acquire the necessary knowledge and skills.

It is known that ensuring the competitiveness of a product mainly relies on two aspects.

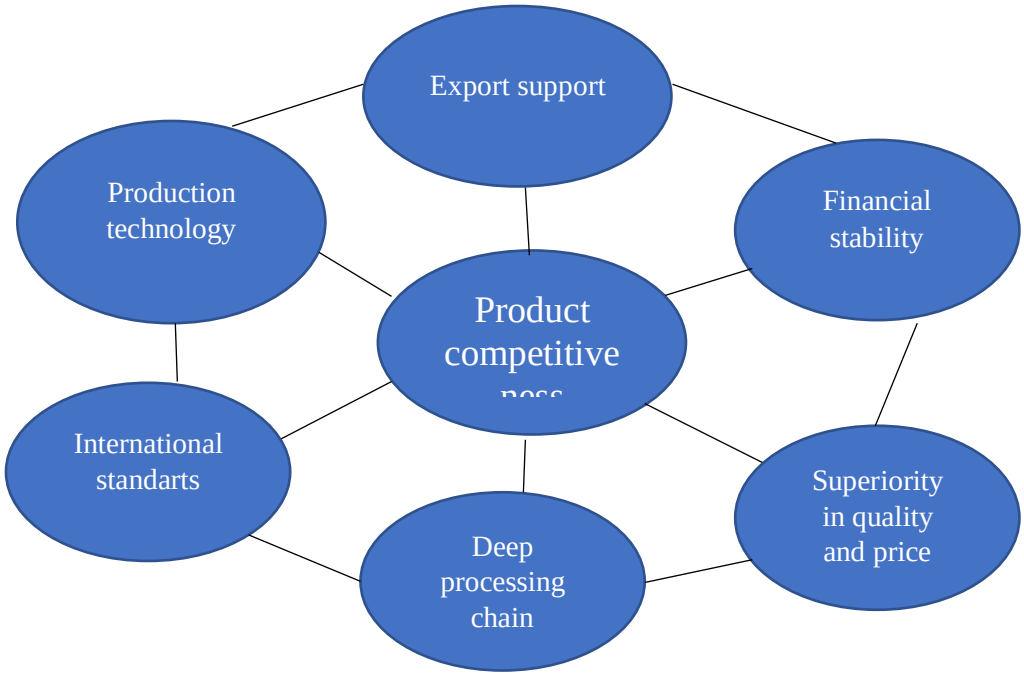

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Figure-1. Factors forming indicators of product competitiveness.

Today, 142 textile clusters are operating in the Republic. About 80 percent of them are limited only to yarn and yarn spinning raw materials. Enterprises operating in this framework have established the supply of raw materials to other textile enterprises in mill method (davalchesky) and participate in the implementation of export processes for enterprises producing final products. However, most of the clusters are exporting raw materials such as cotton and yarn to foreign markets, causing them to fail to meet the export quota of the republic. Today, even if the rate of cotton fiber processing reaches 100% , it shows that the work carried out in the field is not at an acceptable level. Today, the share of finished products is 46 percent. The reason is that selling raw materials is much easier and cheaper than finished products. Therefore, the volume of semi-finished products in large quantities is greater than the share of the export volume. It is known that raw materials are easy to sell in any field and a wide variety of products are produced from them. In our opinion, this processing system lacks management system, lack of innovative technologies, lack of marketing services, lack of working with international brands. Based on product competitiveness and marketing research, we use the PEST analysis of Harvard University professor Francis Aguilar to analyze the competitiveness of textile clusters of our country in international markets.

Figure-2. Analysis determining the level of competitiveness of textile clusters.

As we have seen above, the results of the analysis consist of four stages: politics, enonomy, social process and technology. In general, the reforms aimed at the development of the country's textile industry, that is the decisions and decrees adopted by the government, are aimed at the deep processing of the industry and the development of value-added products from it. Long-term roadmaps aimed at increasing the deep processing chain and export potential in the further

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development of industry enterprises have also been approved. The analysis shows that one of the main problems facing today's textile clusters is technological modernization of the production process. Most of the technological equipment used today is not up to the standard. In this case, the fiber obtained from the cotton raw material being produced leads to the destruction of the production productivity and the competitive environment when it is transferred to the next processes. If we consider the cluster as a whole chain, the raw materials produced from it will lead lo lower quality and lower price of the final finished product, leading to a violation of competition. Therefore, increasing production efficiency using modern technologies is one of the priority tasks for the industry. Also, in order to make cooperation with international brands more effective, as mentioned above, it requires the introduction of innovative technologies in each economic link of production. Today, few enterprises with advanced technological processes have established partnerships with foreign brands and are providing products. Management potential has its place in the solution of the above factors and in increasing production productivity and product quality, ensuring their competitiveness in international markets. Manager is not only managing employees, but also mastering all economic links involved in production processes, being able to anticipate problems that may arise in strategically planned work, making the right decisions when problematic situations arise in production processes, and also selling jointly produced products in international markets tasks such as implementation of important tasks such as ensuring competitiveness.

Deep product processing brings added value. If the price of 1 kg of fiber is 23,750 soums on average, the price of yarn is 30,000 soums, knitted fabric is 44,961 soums and the finished product is 52,210 soums.

Added value-(+7 249 soum)

Added value-(+14 961 soum)

Added value-(+6 250 soum)

Added value-(+23 750 soum)

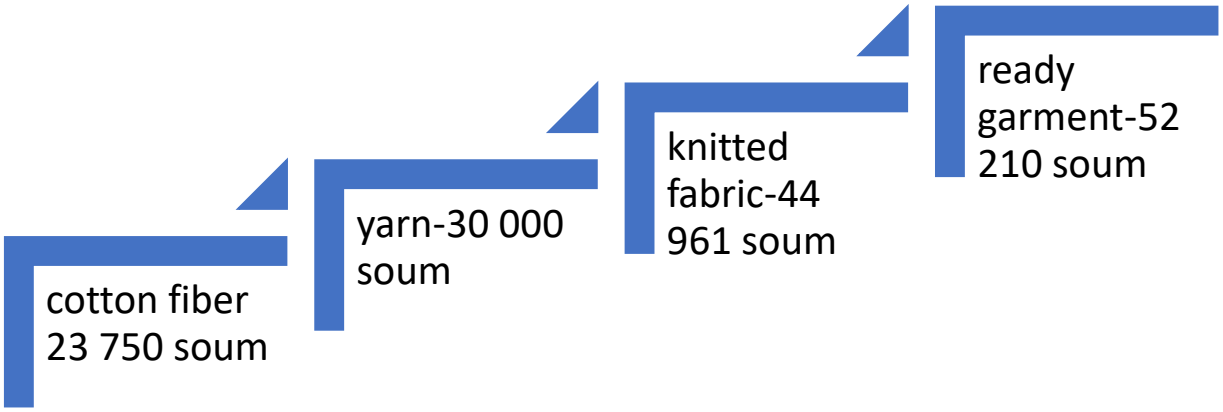

Figure-3. Value addition by textile clusters.

The figure shows the added value chain products produced in a four-stage production chain. It can be seen from this figure that on average, about 1 kg of cotton fiber produces almost 2,5 times more finished products than it costs to produce. At the beginning of added value, the purchase of cotton fibers amounted to 23,750 soums, while the value of the finished product as a result of deep processing amounted to 52,210 soums.

In conclusion, it can be stated that deep processing and modernization of technological equipment leads to the development of high-quality value-added products. These determine economic efficiency in each production link of clusters, product competitiveness indicators, as well as GDP growth, which is calculated by microeconomic indicators. And almost importantly, in the conditions of external global competition, if national products fully meet the requirements of international standards, the volume of exports and cooperation with foreign company brands will expand.

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