

## Implementing economic clustering in Uzbekistan's tourism industry

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**Abstract.** *Among the reforms being carried out in our country, there are program plans for a number of activities for tourism and its development. The expansion of the tourism services market also depends on the state of hotel infrastructure in the region and the influx of tourists. The topic's urgency stems from the need to find new ways to grow tourism in the region, to integrate tourism enterprises and increase their competitiveness, and to justify the challenges of developing a sustainable tourism infrastructure. The study of these issues, their scientific analysis, and the implementation of scientific proposals to solve the goals and objectives developed on the basis of accumulated expertise and experience in this field demonstrate the topic's relevance.*

**Keywords.** *Cluster, tourism, tourist destination, production, transport, economic free zones, special economical zones, competitive resources, international cargo, recreational establishments.*

**Introduction.** The cluster approach is one way to increase the competitiveness of the economy at the national and local levels. Therefore, it is necessary to develop a cluster policy at the local level in our country until 2020.

The main conditions and factors that allow the formation of clusters in the sectors of the economy of our country should be highlighted as follows:

- Existence of companies that form the central part of a cluster of small firms and companies, capable of financing large, innovative, new innovative ideas and projects;
- Ability to conduct research and development in specific areas and the availability of innovative technologies that can be used for commercial purposes of research projects;
- Availability of small businesses and private entrepreneurs with high-tech production and the ability to implement technological initiatives;
- Availability of large technical universities and leading scientific developments that train relevant specialists for the emerging cluster;
- Public organizations providing high-reliability information (chambers of commerce and industry, industry associations and alliances, commissions to promote economic initiatives under local government, etc.).

It should be noted that it is not advisable to organize clusters in a directive way. It is created through market and competition. The state is not able to forcibly include enterprises in the cluster, but rather unites it through the development of its infrastructure and the promotion of cluster development through tax and investment incentives.

Every foreign company that chooses Uzbekistan as its production base takes into account its proximity to the 5 largest and relatively stable developing world markets. These are the CIS countries,

Central and Eastern Europe, South and Southeast Asia and the Middle East. Another reason is that Navoi region has a variety of natural resources and raw materials, which reduces transportation costs and lowers the cost of products produced there. An important transport corridor in the Eurasian transport system passes through Uzbekistan. The nearest E-40 highway connecting Europe and China, as well as a railway to Central Asia, the CIS, Southeast Asia, Europe, the Middle East and the Persian Gulf. If China-Europe road transport is carried out through Uzbekistan, the road crossing the Sino-Russian border will be reduced by 1,000 km and, of course, transportation costs will be reduced accordingly. .

The container train travels from Tashkent to the port of Bandar Abbas in 7 days, from Tashkent via Tehran to Istanbul in 10 days, which is twice as fast as bypassing Uzbekistan. tracks past. It has access to Iranian and Turkish ports in the south, and Black and Baltic seaports in the west and north. The shortest railway line between China and Europe also passes through Navoi. With the launch of the Guzar-Baysun-Kumkurgan railway, transit traffic to Afghanistan, Pakistan and India has been significantly reduced. There is a 26 km highway in the free economic zone.

This road will be used to transport the necessary equipment to the production facilities, to supply construction materials to the construction sites, to supply the necessary raw materials and supplies to the production shops. In November 2008, Uzbekistan Airways signed a contract with Korean Air. According to him, on the basis of Navoi International Airport, in cooperation with Korean Air in the Navoi Free Economic Zone, a transcontinental intermodal logistics center, the only one in the CIS, has been established. Today, Navoi Airport has the status of an international airport, equipped with all the necessary modern facilities and equipment. It can accept all types of air transport, including Boeing-747 and AN 124, which are the largest cargo carriers in the world. Within a radius of 2,000 km from the Navoi Free Economic Zone, there are 11 countries, more than 40 major cities in Central Asia, the Middle East, India and China. The use of air transport routes through Uzbekistan, as well as the use of air transport, can significantly save time and money in the transportation of goods. When flying from Southeast Asia to Europe via Navoi, the distance is 1000 km compared to flying through Dubai. shortened to. This will reduce the flight time by 1.5 hours and save 15 tons of fuel per aircraft. After the transfer of Navoi International Airport to Korean Air, its economic performance has changed significantly. For example, in the first six months of 2009, the number of flights from Navoi airport increased more than 3 times compared to the same period last year, from 133 to 433. The volume of cargo transported through the airport's cargo terminal increased from 15 tons to 3337 tons. The profit of the airport increased 10 times and amounted to 5810 thousand US dollars. By the end of 2010, 7 enterprises were opened in the Navoi Free Economic Zone. They are enterprises in the field of electronics, automotive parts, cosmetics, polymer processing and food industry. Uzbektelecom JSC and Singapore's Servetechno Pte. Ltd. established a joint venture Telecom Innovation. The cost of this project is \$ 1.6 million. USD. Two plants for the production of polyethylene and polypropylene pipes were also commissioned. The total cost of the Polyethylene Pipes project is 7.2 million soums. USD. At full capacity, exports will reach 5.9 million tons. More than US \$. The project has created about 70 jobs. The second plant is Polypropylene Pipes, which will cost \$ 5.2 million. It is planned to export 50% of the finished product, which is equivalent to USD. The plant employs more than 40 young professionals.

Another new production is the UzEraeCabele joint venture, which is a joint venture between Uzavtosanoat and Erae cs Ltd (Republic of Korea). The total cost of the project is \$ 13 million. USD.

The main consumer of the product is the joint venture UzKodji, which produces automotive wiring for GM Uzbekistan. In addition, 20% of the products will be exported to General Motors. AgroFresh, a joint venture between Markazsanoateksport and Kefayat General TradingCo (UAE), is equipped with modern Italian refrigeration equipment with a storage capacity of 3,000 tons of fruits and vegetables. The total cost of the project is \$ 5.03 million. It has created more than 20 jobs. The company exports 50% of its products. The UzMinda joint venture manufactures car safety systems and speedometers. Of the 195 jobs created by the company, 191 are local professionals. They were followed by the Navoi-Beauty Cosmetic joint venture. The new company employs 42 people. All of these companies are equipped with modern high-tech equipment, which allows them to produce finished products that are competitive in the world market. This means that the establishment of the Navoi Free Economic Zone will bring economic benefits to the country. It is noteworthy that the above-mentioned enterprises received a total of 32.03 mln. More than \$ 1 billion has been invested. Their launch has created more than 397 jobs.

Free Economic Zones established in other countries work in a narrow specialization, while in Navoi FEZ it is possible to work in all types of production. Given Navoi's rich mineral resources, FEZ operators will have the opportunity to process raw materials more widely and produce high-value products. This, in turn, leads to the maximum optimization of the cost of goods as a result of significant savings in transportation costs of raw materials needed for production. The developed multimodal network provides a key competitive advantage, as the delivery of goods from Uzbekistan and the transit of goods through the territory of our country can significantly reduce the time and cost of transportation. With the help of foreign investment, first of all, enterprises will be created that will allow deep processing of mineral resources and agricultural resources. The second important direction is to ensure the rapid development of import-substituting industries. Finally, significant emphasis is placed on the formation of modern transport systems that will allow the national product to effectively enter world markets.

The above-mentioned opportunities and benefits, of course, will allow our country to attract more foreign investment. The establishment of the Navoi Free Economic Zone will increase the share of Navoi region in the country's GDP and exports in the coming years. This will increase the volume of cargo transportation in all directions, mainly international, and increase the inflow of foreign direct investment from large strategic investors in Uzbekistan.

Investments in the establishment and operation of modern, high-tech industries for the production of high value-added products that are competitive in the domestic and global markets, primarily direct investment creation of favorable conditions for attracting, ensuring comprehensive and efficient use of production and resource potential of the region, establishment of new productions for deeper processing of mineral resources, strong cooperation between enterprises of the republic Deepening the process of localization of production of high-tech products on the basis of local raw materials and rapid development and efficient use of transport, engineering and communication and social infrastructure, the potential of the logistics center "Angren", cargo In order to further develop the system of road and container transportation and ensure their widespread use, the Angren special industrial zone was established. Today, a number of manufacturing enterprises with foreign investment operate in the Angren special industrial zone. in order to enjoy tax and customs benefits.

A number of projects in the Jizzakh Special Industrial Zone are expected to be completed this year as well. In particular, in the first half of the year, 9 projects will be launched to produce competitive, marketable products. In addition, it is planned to prepare 16 projects during the year. Investment orders for 6 of these projects are currently being considered by the Board of Directors. One such project is the launch of Uzbekengilsanoat's \$ 1.0 million sewing machine plant. The plant is planned to be located in an empty building with a total area of 2,000 square meters, which is on the balance of New Technologies LLC.

A joint venture for the \$ 2.5 million Energy Saving LED Lamps project has now been registered. The plant will be housed in a building renovated by Uzbekenergo. Placement of the project "Manufacture of batteries for household electrical equipment" worth \$ 26.4 million and the project "Manufacture of stationary batteries" worth \$ 6.4 million in the vacant premises of JSC "Jizzakh Battery Plant" planned. Three projects worth \$ 31.8 million are planned to be located in the Syrdarya branch of the Jizzakh Special Industrial Zone. Thus, there are favorable conditions for the organization and development of clusters in different regions of Uzbekistan, and not only the government is interested in this process, but also the concentration of manufacturing companies in some regions, their interaction with educational institutions, There is a need to create favorable conditions for attracting direct investment, to ensure a comprehensive and efficient use of production and resource potential of the regions. Today, the regions with the status of special industrial zones have a great opportunity to develop clusters in our country.

**Cluster approach in tourism.** The cluster method is used in the tourism industry in a number of countries. The fact that the cluster is a new direction in the field of tourism requires a lot of organizational, scientific research in this area.

Clustering in tourism has three goals:

- The use of the tourism cluster as a concept for the development of tourism (endogenous);
- use of the tourist cluster to solve the economic and social problems of large areas (exogenous);
- The use of the tourist cluster for scientific analysis and pedagogical synthesis (semantic and didactic aspects).

The development of the cluster in tourism is associated with the growing role of the destination constant. In the scientific literature on tourism, the ethnonym cluster has undergone a number of evolutionary developments: since 1962, the cluster has been a tourist center; Since 1968 - recreation area; Since 1975 - 21 recreational systems; Since 1985 - the resort; Since 1995 - tourist destination; And since 2005, it has gone through stages like a tourist cluster.

It is appropriate to look at the tourism-recreation cluster as a differentiation of the components of tourism. These are of two types: the first type-franchise-related tourist chain (single-type hotel cluster Sheraton, Best Western, Marriott, Intercontinental; restaurant chain such as McDonald's, Maxim, Pizza-letter, etc.; transport systems chain Aeroflot, Lufthansa, etc.) the second type is based on the cluster destination, i.e. the region that forms the tourist package. In both cases of the cluster, firms and organizations participate in the formation of total value in the form of value chains. In the process of striving for competitive advantage, all value chains in the value-added system of participants are optimized by the cluster (Value system-M.Porter).

An important feature of a tourism cluster is the combination of cooperation and competition. The integration of tourism enterprises into the cluster will be of great benefit to them. Competitive relations

are formed in relation to its constituent firms, as well as firms of other external clusters. Each cluster is affected by its own economic environment, and its competitiveness is shaped at different levels. The following is a rhombus-shaped cluster competitiveness.

Today, the use of a cluster in tourism is central to its approach as a concept of destination constant. The term destination means "destination" in the tourism dictionary. The term destination was first used by Thomas Cook as a tourist attraction (1840). The city of Lamfboro in England is recognized as the first destination center in the world.

In the twentieth century, destination has become the official term of the World Tourism Organization. According to him, "destination is the time spent by a guest in a place visited physically for at least one night." That is, destination is a product of a day's journey, including leisure, entertainment, and overnight stays. The "space" in turn represents the physical and administrative



principles that determine market competitiveness are recognized by the elements of the cluster's destination constant, recognized by the UN WTC at the UN Conference in Rome (1969): natural (material) latitude; visitor; visitor; tunash; market; competitiveness; get an impression; image; convenience of location; tourist resources; attraction; tourist service; tourist product.

Each argument deepens the concept of destination to the level of a cultural constant. In addition to the destination constant, in the cluster the concept of destination is related to the concept of tourist and recreational

center and is used in practice as a synonym.

The tourist center is a convenient infrastructural place that can attract tourists with its unique tourist and recreational resources.

To study the essence of the tourist-recreational destination (cluster), it is necessary to study the functions of tourism, its socio-economic role in society. Thus, the functions of the tourism sector include almost all the functions of the socio-economic sphere of the basic trio of tourism, the classic "tourism + accommodation + entertainment". This makes it clear that "tourism is a complex socio-economic system consisting of diverse, interconnected and interdependent subsystems."

Tourist center (forms of tourist center destination): city; settlements; special service facilities; rivers, seas, lakes; administrative unit; natural landscapes; national parks and reserves; mountainous, unique

Pic1. Axiological components of tourist destination

landscapes.

The tourism cluster is based on two subsystems: the tourism entity and the tourism facility. The subject of tourism is a participant of the event, ie a tourist, who seeks opportunities to meet their needs using specific tourist services. The services offered will be presented as a tourist attraction. Anything that could be the purpose of the trip is understood as a tourist attraction. The object of tourism (tourism industry) consists of three main components: the tourist area or destination (address), the tourist organization and the tourist enterprise.

The tourist attraction is a trip. It is determined by the usefulness (consumption efficiency) of products and services that can meet the needs during this period. This is the level at which the specific needs of travelers are met.

These include: overnight stay in unusual conditions; production and consumption of tourist goods, geographical environment; means of labor used (hotels and historical and cultural centers, transport, etc.).

The sum of all the activities that provide tourists with various conveniences in purchasing goods and services while traveling and away from their place of residence is called tourist services.

**Conclusion.** The existence of a tourism cluster in practice, as well as numerous descriptions proving its versatility, can confirm the above idea. This necessitated the development of theoretical and methodological approaches to study the existence of clustering and its constants in applied tourism.

The flow of tourist services in modern tourism markets is so wide that in some cases it is difficult for consumers to decide on their price and quality or affordability. That's when advertising services are used. It is well known that services, no matter how good or cheap, can be overlooked if they are not promoted through advertising. The effectiveness of promotional activities, on the other hand, clarifies where, when and to what extent they are produced, and at what cost. Therefore, the planning and organization of advertising costs in the Samarkand tourism cluster should be carried out in the manner developed in the research process.

Each of the companies in the international tourism services market has its own attractiveness and reliability. Their services are also different and the prices are different. But there are also different ways for travel agencies and firms to attract customers and consumers. The most effective of these are measures based on financial interests. In this regard, it is necessary to develop a method of promoting the sale of national tourism services, to target and target spending.

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