SPECIFIC ASPECTS OF MANAGING MARKETING ACTIVITIES IN GRAIN PROCESSING ENTERPRISES

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Abstract. The article examines the distinctive features of marketing management in grain processing enterprises under the conditions of market liberalization in Uzbekistan. It is shown that marketing in this sector is shaped by the seasonal nature of raw material supply, the dual role of grain as a strategic food commodity and a market good, low differentiation of core products, and a high share of logistics and storage in total costs. Based on content analysis of scientific literature, secondary statistical data and a SWOT analysis of the sector, the study systematizes the industry-specific aspects of marketing management and proposes an integrated model covering procurement (input) marketing, product and brand policy, pricing, distribution and marketing control. The results can be used by managers of flour mills, feed mills and cereal producers to build marketing services and to raise the competitiveness of their products in domestic and foreign markets.

Keywords: *grain processing, marketing management, flour milling, procurement marketing, marketing mix, competitiveness, food security, Uzbekistan.*

Introduction. Grain and grain products form the basis of the diet of the population of Uzbekistan, and bread and flour occupy a leading position in household food consumption. For this reason, the grain processing industry — flour milling, cereal (groats), pasta, bakery and compound feed production — is regarded not only as a branch of the food industry but also as an element of the national food security system. Over the past three decades the raw material base of the industry has expanded

considerably: according to ICARDA experts, wheat production increased from 0.95 million tons in 1991 to 6.09 million tons in 2019, mainly due to area expansion and higher yields on irrigated land [1]. For the 2026 season, USDA forecasts a record harvest of about 7.2 million tons of wheat, compared with 6.1 and 6.7 million tons in the two preceding seasons [2].

At the same time, domestic production still does not fully cover demand. Wheat consumption was estimated at about 8.5 million tons in 2022/23, of which domestic output covered roughly 78% [3], while FAO forecasts wheat import requirements (grain and flour) for the 2026/27 marketing year at about 4.2 million tons [4]. Consequently, grain processing enterprises operate in a market where local and imported raw materials, state-owned and private mills, and domestic and imported flour compete simultaneously. The reforms envisaged by the Strategy for Agricultural Development of the Republic of Uzbekistan for 2020–2030 [5] and the Development Strategy of New Uzbekistan for 2022–2026 [6] — gradual liberalization of grain procurement and prices, privatization and attraction of private investment in processing — have increased competition and made marketing a necessary function of enterprise management rather than an auxiliary sales activity.

Classical marketing theory [7; 8] and the concept of market orientation [9; 10] are well developed, but their application to grain processing requires adaptation. Agricultural marketing literature [11] emphasises seasonality, perishability and price volatility of farm products, yet the specific features of marketing management at the level of an industrial processing enterprise, which stands between farmers and the consumer market, remain insufficiently studied. The aim of this article is to identify and systematize the specific aspects of managing marketing activities in grain processing enterprises and to propose directions for improving them.

Methods. The study is based on a systems approach to enterprise management and on the theory of market orientation. The following methods were used: (1) content

analysis of scientific publications on marketing management, agricultural marketing and the competitiveness of food enterprises; (2) analysis of secondary statistical and analytical data published by FAO, USDA, ICARDA and specialized agricultural information agencies for 2019–2026; (3) comparative analysis of marketing functions in general manufacturing and in grain processing; (4) SWOT analysis of the marketing environment of grain processing enterprises; (5) the abstract-logical method and modeling for building an integrated marketing management model.

The regulatory framework was studied on the basis of the strategic documents of the Republic of Uzbekistan on the development of agriculture and the economy [5; 6]. The information base is limited to open-source data; enterprise-level indicators were not used, so the conclusions are of a generalizing, methodological nature and should be verified by empirical studies at specific enterprises.

Results. The analysis of the sector's state allowed us to identify the key market conditions in which the marketing of grain processing enterprises is carried out (Table 1).

Table 1

Main indicators of the grain market environment in Uzbekistan

Indicator	Value	Source
Wheat production, 2019	6.09 million tons	ICARDA [1]
Wheat production, 2024 / 2025 seasons	6.7 / 6.1 million tons	USDA via APK-Inform [2]
Wheat production forecast, 2026	≈7.2 million tons	USDA via APK-Inform [2]
Average wheat yield, 2025 / 2026 (est.)	4.64 / 5.54 t/ha	APK-Inform [2]
Wheat consumption, 2022/23	≈8.5 million tons	World Grain [3]
Share of consumption covered by domestic output, 2022/23	≈78%	World Grain [3]

Wheat import requirement (grain and flour), 2026/27	≈4.2 million tons	FAO GIEWS [4]
Private mills (capacity)	≈60 mills, up to 2 million tons of wheat per year	ICARDA [1]

Source: compiled by the author on the basis of [1–4].

The data show three conditions that determine marketing behaviour. First, the raw material base is growing but remains dependent on weather and imports, so the procurement of grain of the required quality becomes a marketing task in itself. Second, domestic wheat often has lower gluten content than imported hard wheat [3], which forces mills to blend grain and creates a quality gap between product segments. Third, the growth of private milling capacity and new investment projects increases competition for both raw materials and customers.

Comparing the marketing functions of a typical manufacturing enterprise with those of a grain processing enterprise made it possible to single out the specific aspects of marketing management in the industry (Table 2).

Table 2

Specific aspects of marketing management in grain processing enterprises

Area	Industry-specific feature	Marketing management implication
Raw material supply	Seasonal harvest, variable quality, competition with other mills and exporters	Procurement (input) marketing: contracts with farms and clusters, quality-based pricing, supplier relationship management
Product	Low differentiation of basic flour; quality measured by gluten, ash,	Grade and assortment policy, fortified and specialty flours, by-products (bran, feed),

	moisture	branding and packaging
Price	Social significance of bread; state influence on prices; import price volatility	Cost-based pricing with price monitoring, segment-based pricing for B2B and retail, risk hedging through stocks
Distribution	High share of logistics and storage in costs; limited shelf life of flour and bran	Regional distribution networks, own warehouses, direct contracts with bakeries, retail chains and export partners
Customers	Two segments: industrial (bakeries, confectioners) and households	Separate B2B key-account management and B2C brand communication
Regulation	Food safety standards, fortification, certification	Compliance as a competitive advantage; use of certificates (ISO 22000, HACCP, halal) in promotion

Source: developed by the author.

The SWOT analysis of the marketing environment revealed the following. Strengths: stable demand for flour and bread, availability of domestic raw materials, modernization of many mills with new equipment. Weaknesses: weak marketing services (sales are often limited to order fulfilment), low brand awareness, limited market research, high dependence on the quality of incoming grain. Opportunities: growth of retail chains and packaged products, demand for premium and fortified flour, export of flour and cereals to neighbouring countries, digital sales channels. Threats: import competition, price volatility of wheat in the region, climate risks for the harvest,

rising energy and transport costs.

On this basis, an integrated model of marketing management in a grain processing enterprise is proposed. It consists of five interrelated blocks: (1) marketing research and information system (monitoring of harvest forecasts, grain and flour prices, competitors and customer requirements); (2) procurement marketing (planning grain purchases by quality classes, long-term contracts with farms and agro-clusters, building reserves); (3) product and brand policy (assortment by grades and purpose, specialty products, by-product utilization, packaging and trade mark); (4) pricing and distribution policy (price differentiation by segments and regions, B2B key accounts, retail and export channels, logistics optimization); (5) marketing control (indicators such as capacity utilization, market share in the region, share of branded packaged products, customer retention, marketing costs per ton of output).

DISCUSSION

The results confirm that in grain processing, marketing cannot be limited to the sale of finished products. In contrast to the classical view where marketing starts with the consumer [7], in grain processing the "input market" is equally important: the quality and cost of flour are largely determined at the stage of grain purchasing. This corresponds to the value chain approach [12], according to which inbound logistics and procurement are sources of competitive advantage. Therefore, the organizational structure of the marketing service in such enterprises should include procurement analytics, and marketing and supply departments should work on a common plan.

The second important finding concerns product differentiation. Basic flour is close to a commodity, and price competition prevails in this segment. Consistent with the resource-based view [13], sustainable advantage can be created through resources that competitors find difficult to copy: stable quality, laboratory control, brand reputation and long-term relations with bakeries. International experience shows that a large part of flour output in transition economies is still produced by small mills,

which compete mainly on price and benefit from tax privileges but lag behind industrial mills in quality [14]. For large enterprises, this means that quality, packaging and service are the main marketing arguments.

Third, the social significance of bread limits pricing freedom. Enterprises must combine commercial goals with the objectives of food security, and state regulation must be considered as a factor of the marketing environment. Here, market orientation [9; 10] means not only studying customer needs but also systematically monitoring state policy, harvest forecasts and regional import prices. Marketing information systems based on digital tools can significantly reduce the risks associated with these factors.

The limitations of the study are related to the use of secondary data. Further research should include surveys of managers of grain processing enterprises and quantitative evaluation of the impact of marketing tools on financial performance.

Conclusion. Managing marketing activities in grain processing enterprises has specific features arising from the seasonality and variable quality of raw materials, the social significance of the product, low differentiation of basic goods, the high role of logistics, and state regulation. Effective marketing management in the industry should therefore cover the whole chain — from procurement of grain to control of results in the consumer market. The proposed integrated model, including marketing research, procurement marketing, product and brand policy, pricing and distribution policy, and marketing control, can serve as a methodological basis for creating or reorganizing marketing services in flour mills, cereal and feed enterprises. Its implementation will help to increase capacity utilization, the share of branded products and export potential, and will contribute to strengthening the country's food security.

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