



## Confectionery Market Development Tendencies

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**Abstract:** Ensuring the balance between supply and demand in the market of food products, as well as the main sources of filling the market with food products, are industry, agriculture and import of food products. This article is the result of dissertation research.

**Key words:** Confectionery, market saturation, production volume, sales channels, marketing strategy.

**Introduction.** Filling the domestic market with food, achieving self-sufficiency in the field of their production and ensuring food safety is one of the priority directions of the development of agriculture, which is considered an important sector of the economy of Uzbekistan.

In this regard, in the Address of the President of the Republic of Uzbekistan Shavkat Mirziyoyev to the Oliy Majlis, "...in general, our people should be calm: the production of quality food products, the creation of a guaranteed reserve in this regard and their continuous delivery to the market, as well as ensuring price stability are given priority attention is focused. For this purpose, all measures will be taken by the government and the governorates, and this matter will be under the constant control of the President.

Based on this, we can say that the success of each country, regardless of the international situation, depends on providing all layers of the population with safe, high-quality food products necessary for leading an active and healthy lifestyle.

According to its purpose, confectionery products play an important role in providing the population with necessary food products. These products are presented in the form of chocolate, caramel and flour products. The range of confectionery products is expanding due to chocolate and products added to it - sweets, cookies, cakes, etc.

**Methods.** In state use of logical method and method of modeling, analysis and synthesis, normative approach, systematic and comparative analysis, statistical and econometric analysis, and frequency, correlation-regression and variational analysis.

**Results.** The analysis of the wholesale turnover of confectionery products shows that in 2016, 310426.0 mln. sale of confectionery products was carried out. In 2021, the wholesale trade turnover will increase 9 times compared to 2016 to 2789975.9 million. amounted to soums (Appendix 2).

In 2016, the highest shares of wholesale turnover in the regions of the republic were Tashkent city (71.9 percent), Surkhandarya region (7.9 percent) and the Republic of Karakalpakstan (5.4 percent), Tashkent region (2.7 percent), Andijan region ( 2.4 percent) and Samarkand region (2.3 percent). By 2021, the highest share of wholesale trade in the region fell to the city of Tashkent (76.2 percent). The remaining regions are Bukhara region (4.6 percent), Kashkadarya region (3.0 percent), Samarkand region (2.7 percent), Namangan region (2.6 percent), Khorezm region (2.2 percent) and Fergana region. (2.0 percent) had a share.

The data on the wholesale and retail turnover of confectionery products at the republic level show that the wholesale turnover in 2021 will be 2,789,975.9 mln. amounted to 7,187,683.4 million soums. amounted to soum (Appendix 3).

Although the share of wholesale trade turnover has decreased in the region, the share and volume of retail trade turnover has a tendency to increase over the years. This shows that most of the wholesale trade enterprises are operating as small business structures.

"KRAFERS" limited liability company, which is being analyzed as an object of monographic research, is one of the factories producing confectionery products. "KRAFERS" limited liability company is a world-class factory with modern high technologies that produces chocolate, flour and sugar confectionery products. "KRAFERS" limited liability company focuses on a unique combination of high taste, attractive appearance and low prices to present confectionery products to a wide range of consumers. Only high-quality ingredients and proven technologies are used in its production.

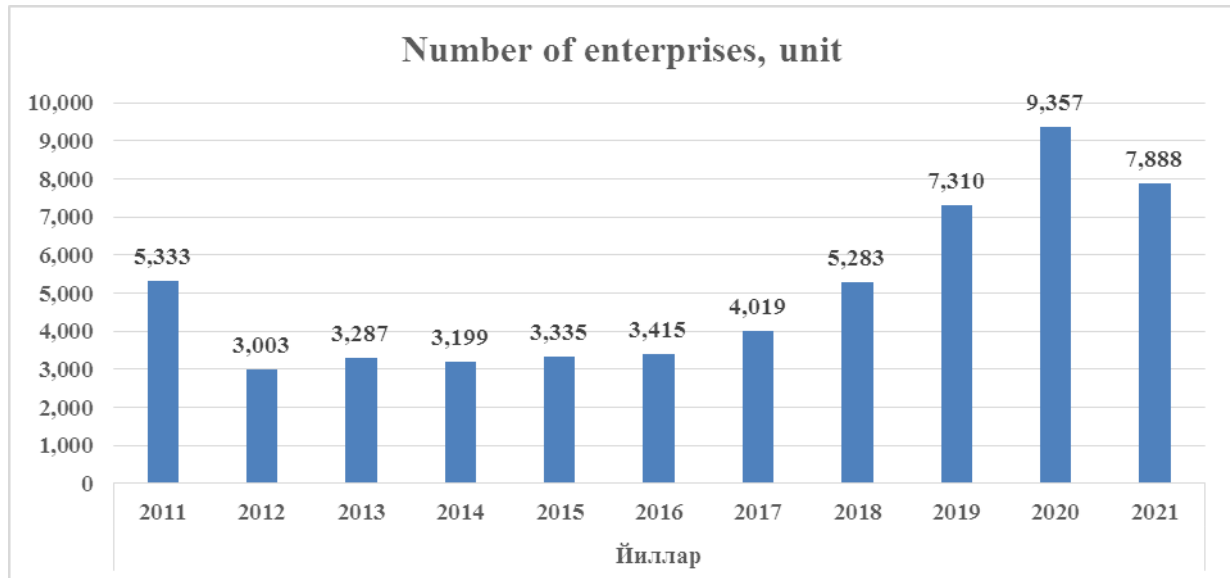
Today, the range of confectionery products produced at the enterprise includes more than 120 names and has a production capacity of more than 46,000 tons of products per year. "KRAFERS" limited liability company offers consumers a wide range of confectionery products, such as cookies, waffles, marmalade, marshmallow, caramel and various types of candies, as well as chocolates, chocolate products, especially milk and dark chocolate bars. Confectionery products produced in the society meet the highest requirements and standards of the modern world market.

Confectionery factory Hebenstreit (Germany) - production of various waffle products, TFT (Holland) - Winkler und Duueebier Suesswarenmaschinen GmbH (Germany) - production of chocolate products, Sollich (Germany) - production of fried products, Chocotech (Germany) - "FROZENSHELL " production of chocolates, Hansel Processing (Germany) - production line of caramel products with and without flakes, Aasted (Denmark) - production of extruded complex candies, Buhler (Switzerland) - preparation of chocolate masses according to Swiss technology, HAAS (Austria) - waffles It is equipped with modern equipment of European manufacturers, such as production of crackers, production of Polin (Italy) - sugar and otsadnoe biscuits.

More than 650 specialists work in "KRAFERS" limited liability company, most of them are qualified specialists with extensive experience in large foreign confectionery factories in the world. Continuous research in the enterprise to create new high-quality, popular products allows to gain the deserved recognition and trust of consumers, high evaluation by experts in the field of confectionery products both in Uzbekistan and on the world market.

**Analyses.** The result of the study of the network of confectionery organizations shows that, compared to the food industry, they have grown significantly in number.

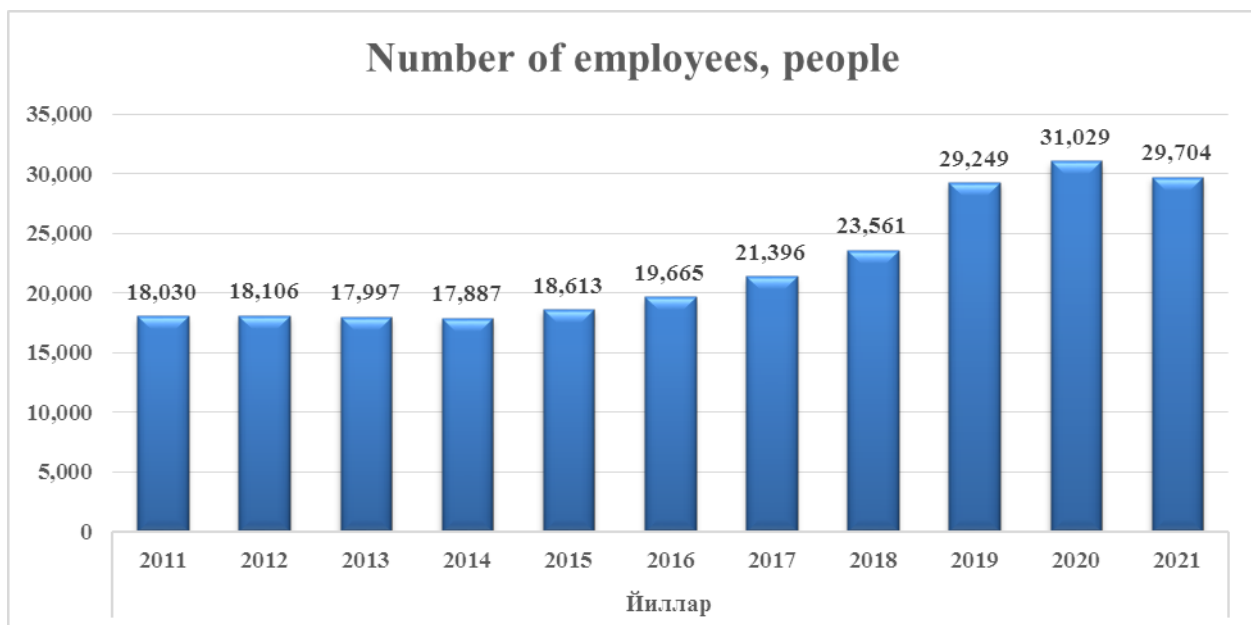
Figure 1 shows the dynamics of the number of enterprises producing confectionery products in Uzbekistan in 2011-2021.



**Figure 1. The number of enterprises producing confectionery products in Uzbekistan in 2011-2021**

The data shows that in 2012, the number of enterprises producing confectionery products in the republic was 3,003, and by 2021, this figure will be 7,888, an increase of almost 2.6 times. The increase of this indicator indicates that the government of the republic is paying attention to the development of production enterprises, providing the population with confectionery products, and expanding their participation in filling the domestic market with quality confectionery products.

The next most important indicator describing the scope and results of confectionery enterprises is the trend of the number of employees working in them. Figure 2 shows trends in the number of employees at confectionery production enterprises.



**Figure 2. Trends in the number of employees in confectionery production enterprises**

In 2011, the number of employees working in confectionery production enterprises was 18,030, in 2016 it was 19,665, and in 2021 it was 29,704. The number of employees working in enterprises has been increasing year by year. One of the main reasons for this is related to the increase and expansion of enterprises producing confectionery products in our republic.

The total number of specialists in marketing, delivery of products to buyers, purchase of raw materials, and market research, as seen from this study, does not exceed 5% of the total number of managers.

In market conditions, the results of organizations' activities depend to a large extent on the effectiveness of the work of managers at all levels.

Since the activities of marketers are focused on the study of the market situation, supply and demand, and the implementation of support for the movement of goods in market conditions, the effectiveness of the results of the enterprise can be seen as the effectiveness of the activities of marketers.

Therefore, we will consider the trend of the production volume of confectionery products across the country and its regions.

Special attention is paid to the production of confectionery products in the Republic of Uzbekistan. Table 1 shows the dynamics of confectionery production and per capita production in the republic

**Table 1. Dynamics of confectionery production in the Republic of Uzbekistan in 2001-2021, taking into account the population**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Confectionery mahs i/ch, thousand t.	38,0	43,6	46,4	59,2	116,1	141,5	142,8	120,5	124,8	129,7	
Growth rate, %	100	114,7	122,1	155,7	3 m.	3,7 m.	3,8 m.	3,2 m.	3,3 m.	3,4 m.	
Population, thousand people	28655	29994	30493	31023	31576	32121	32657	33256	33905	34559	
I/ch per capita, kg	1,3	1,4	1,5	1,9	3,7	4,4	4,4	3,6	3,7	3,8	

The data of Table 1 shows that in 2011, the production volume of confectionery products was 38,000 tons, and by 2020 it was 129,700 tons, and the production volume increased by 3.4 times. The indicators of confectionery production per capita in the republic were 1.3 kg in 2011 and 3.8 kg in 2020, respectively.

Special attention is being paid to the development of the production of food products, especially confectionery products, based on the measures taken by our Government to fill the domestic consumer market and ensure food safety. As a result, the production indicators of confectionery products in the republic showed a tendency of growth.

The confectionery market is generally divided into two main sectors: the flour confectionery market and the sugar confectionery market.

Confectionery products made from flour can include cookies, crackers, galette cookies, pancakes, waffles, cakes and pastries, cakes and oriental sweets.

Confectionery products made from sugar include berry fruit products (marmalade, pastila, jam, etc.), caramel, candies, toffee, dragee, chocolate and cocoa powder, holva, as well as oriental sweets such as candy and caramel.

In order to assess the market of confectionery products in the republic, the dynamics of production of this type of products was observed (Appendix 1).

The analysis of the state of confectionery products in the food market indicates that it has developed unevenly during the years 2014-2021 under study.

The analysis of the state of production of sugar confectionery products in the republic shows that in 2018 and 2020, the production of sugar in the republic has decreased sharply, we can see that the production volume of confectionery products has decreased due to insufficient raw materials.

The indicators of the production of confectionery products made from it in the republic show that the production of confectionery products made from them has a growing trend.

Table 2 shows the main indicators of the confectionery market in the Republic of Uzbekistan in 2014-2021.

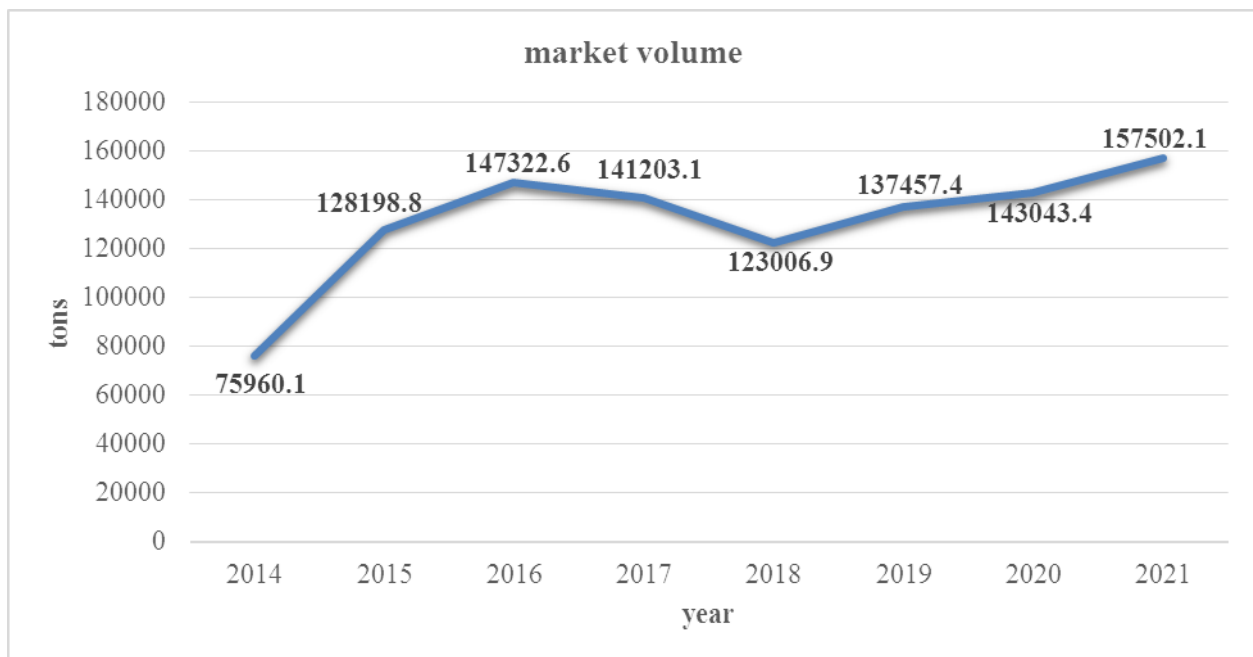
**Table 2. Key indicators of the confectionery market in Uzbekistan in 2014-2021, tons**

	2014	2015	2016	2017	2018	2019	2020	2021
Confectionery i/ch	59200	116100	141500	142800	120500	124800	129700	130200
Import	17996,7	13833,5	8569,6	7263,9	10682,1	19519,5	26129,3	42355,5
Export	1236,6	1734,7	2746,9	8860,8	8175,2	6862,1	12785,9	15053,4
Market size	75960,1	128198,8	147322,6	141203,1	123006,9	137457,4	143043,4	157502,1

In 2014, 17996.7 tons of confectionery products worth 14249.6 thousand US dollars were imported into the Republic of Uzbekistan. From 2015 to 2017, a decreasing trend was observed in the export of confectionery products, which amounted to 13,833.5 tons in 2015, 8,569.6 tons in 2016, and 7,263.9 tons in 2017. From 2018, the import of confectionery products began to increase significantly. In 2018, the import of confectionery products was 10,682.1 tons, and in 2021 it was 42,355.5 tons.

The table shows that in 2014, 1236.6 tons of confectionery products worth 1738.7 thousand US dollars were exported. Confectionery exports have increased year by year, and in 2021, 15,053.4 tons of confectionery products worth 15,006.0 thousand US dollars were exported. Only in 2019, due to the pandemic, the export of confectionery products decreased compared to 2017-2018, and 6862.1 tons of products were exported with a value equal to 9116.5 thousand US dollars.

The volume dynamics of the confectionery market of the Republic of Uzbekistan is presented in Figure 3.



**Figure 3. Dynamics of the market size of confectionery products of the Republic of Uzbekistan**

The data obtained as a result of the research show that in 2014, the size of the confectionery market in the republic was 75,960.1 tons. In 2021, this figure was 157,502.1 tons, which increased by 81,542 tons compared to 2014. As a result of the reforms implemented in our republic, special importance is being paid to the domestic production of consumer goods, in particular, food goods, that is, to the development of domestic production. At the same time, the manufactured confectionery products are aimed not only at the domestic market, but also at the foreign market for export to CIS and EU countries.

The price of confectionery products is one of the important elements describing the state of the confectionery market. The price level in the republic's food goods market depends on many factors:

firstly, production costs, the price of imported confectionery products, the volume of consumer demand and the tariffs of customs duties imposed on confectionery products brought to the country from abroad.

**Discussion.** The development of the confectionery market of the Republic of Uzbekistan is characterized by the following trends;

- the production volume of confectionery products in the republic is increasing year by year;
- Uzbekistan's participation in the foreign trade of confectionery products is not very active. There is a clear advantage of imports over exports, which indicates that the international competitiveness of domestic confectionery products has not reached (low) world standards.
- Imported products are distinguished by a wide range and excellent packaging, therefore, our national manufacturers of confectionery should stabilize production, expand the range of products and improve their quality, as well as increase their competitiveness at the expense of packaging.
- The market of confectionery products in Uzbekistan is quite complex, and a number of factors affect its development. The confectionery market depends on the production and supply of flavorings, thickeners, essences, preservatives, nuts, dried fruits and other confectionery additives. One of the main components of chocolate is cocoa powder and cocoa butter.
- Today in the country's confectionery market, the number of structures that control the development of special markets, products for diabetics or allergen-free products for young children, and the production of products for athletes is not up to the demand. Diabetics are normal people like you and me, and they want to eat flour confectionery. The assortment of flour confectionery products for this category of consumers is not very wide in the stores of many cities.
- The problem of quality and safety of confectionery products remains urgent and complex. This is an important factor in increasing the competitiveness of products in the domestic and international markets.
- One of the factors hindering the development of the confectionery market is the high dependence on the import of raw materials.

According to the leadership of the confectioners' union, if a number of decisions are made at the government level aimed at stabilizing and increasing the production of food products in Uzbekistan, especially confectionery products, including the establishment of monitoring of food production and production (monitoring data must be open). if the proposals are accepted, it will be possible to provide the population with quality food products, increase the volume of production in the industry, and increase the amount of exports.

In the conditions of increasing competition in the confectionery market, it is desirable to diversify confectionery products, encourage manufacturers, produce products based on modern technologies, study the demands and needs of consumers, and pay special attention to the quality of products.

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