



Article

Implementation of Marketing Strategy in Car Dealers (On The Example of The Brand “Lada Uzbekistan”)

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Abstract: This article analyzes the process of developing and implementing marketing strategies in car sales and dealerships using the example of the “Lada Uzbekistan” brand. The study discusses the basic principles of marketing, strategies aimed at creating competitive advantages, meeting customer needs and developing the brand. Quantitative and qualitative analyses, customer opinion surveys, statistical data and market analysis were used as research methodologies. According to the results of the study, it is shown how the marketing strategies of the “Lada Uzbekistan” brand successfully work in different market segments and offers suggestions aimed at increasing the company’s competitiveness. The success of car dealerships depends on their ability to develop effective marketing plans because these plans provide enduring profits and market superiority together with customer retention. With an emphasis on the brand “LADA Uzbekistan,” this research investigates the use of marketing methods in the automobile industry. Strategic marketing strategies applied to the Uzbek automobile industry determine the effects on both consumer perception and sales performance as well as brand position. The thorough analysis of digital marketing and conventional advertising and sales promotions and pricing tactics and customer relationship management as marketing approaches studies their impact on consumer conduct in this article. The research reviews different methods used to develop unique marketing strategies and customer segments that drive successful brand success in competitive markets. This study recognizes that LADA Uzbekistan must overcome several implementation obstacles in marketing plans which include changing customer preferences and regulatory constraints alongside economic market fluctuations alongside international and local automotive industry competition.

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1. Introduction

Nowadays, competition between the automotive industry and the car dealership business is becoming increasingly fierce. Customer needs and market conditions are constantly changing, so car manufacturing companies and dealership networks need to develop effective marketing strategies. The “Lada Uzbekistan” brand, as one of the leading car brands in Uzbekistan, is implementing various measures aimed at further developing its marketing strategy and increasing its competitiveness. The main objective of the study is to study the marketing strategy of a car dealership using the example of the “Lada Uzbekistan” brand, evaluate its effectiveness and develop proposals in accordance with changes in market conditions. The study analyzes market segmentation, customer needs, competition and the importance of advertising channels.

2. Materials and Methods

The scientific-theoretical, methodological and practical aspects of improving the use of marketing strategies in international companies were studied by foreign scientists Fuerderer R., Herrmann A., Wuebker G., Green K., W., Inman RA, Birou LM, Whitten, D., Chan, A., Watkins L., Hofstede G., Soares A., Farhangmehr M., Shoham A., Bowen DE Jones G. R, Muhammad Mujtaba A., Sany S.M., Aliyu O.A. and others in their research [1]. In addition, the research conducted by these scientists has created and put into practice the marketing strategies that have been widely recognized and practiced by the world's largest companies.

Azoev G.L., Ansoff I., Volovikov B.P. from CIS scientists in this field. Golubkov Ye.P. Lyubetskiy P.B., Solskaya I.Yu., Shkardun V.D. such as scientists who have conducted scientific research. Although these studies cover the characteristics of the automotive market, strategic marketing theory, the specifics of the automotive market, the scientific and theoretical aspects of branding and branding strategies, consumer-oriented marketing strategies and consumer segmentation in the automotive market are not given enough attention [2]. The issues of developing a marketing strategy in industrial enterprises of the republic in the context of modernization of the economy were discussed by local economists A. Bekmurodov, M. Boltaboev, R. Muratov, M. Kosimova, G. Karieva, Sh. studied in the research work of others [3]. The authors have enriched the theories of improving the use of marketing strategies in companies with new information and researched the problems of improving the marketing efficiency of enterprises in domestic and foreign markets. Also, the study of the car market has not come to any definite conclusions on the characteristics of different segments of consumers.

There are a number of methodologies in the literature on developing marketing strategies in automobile dealerships. In particular, Kotler and Armstrong outlined the basic principles of marketing and demonstrated approaches such as market segmentation, product positioning and pricing strategies. Miller and Rajagopal also focused on the importance of developing brand identity and continuous communication with customers in the automotive industry.

When implementing marketing strategies for the "Lada Uzbekistan" brand, it is important to take into account market innovations and competitive analysis. Research shows that the automobile market in Uzbekistan is in the process of renewal and dealers implement various advertising campaigns to attract new customers [4]. It is observed that digital marketing and online advertising channels are effectively used in dealership networks.

The study used two main methodologies:

- a. Quantitative analysis – Statistical data on the automotive market and the Lada Uzbekistan brand were collected. The study examined numerical data on car sales in different regions of Uzbekistan. There is official data that at the end of 2023, the market share of the Lada Uzbekistan brand reached 17%.
- b. Qualitative analysis – The attitude towards the marketing strategies of Lada Uzbekistan was studied through interviews with customers and dealers. An analysis of dealership agreements and an assessment of the effectiveness of the company's advertising campaigns were also conducted.

3. Results

The scientific significance of the research results is explained by the fact that the marketing strategy of "LADA Uzbekistan" brand can be used in the implementation of special research aimed at improving the effectiveness and competitiveness.

Practical significance of the research results is to create a healthy competitive environment in the national automotive market through the introduction of foreign advanced marketing strategies in Uzbekistan in the medium and long term, to introduce a

number of new models on the assembly line through the introduction of advanced technologies and innovations in the global automotive industry, to introduce a “large-node conveyor” production system through localization and expansion of industrial cooperation and ultimately the role and importance of delivering modern, affordable and cost-effective vehicles to consumers [5].

4. Discussion

However, as E. McCarthy mentioned that marketing strategies have elements taken from the 7P of marketing that include price, promotion, people, product, process, physical environment and place [6]. Figure 1 outlines the 7P marketing strategies.

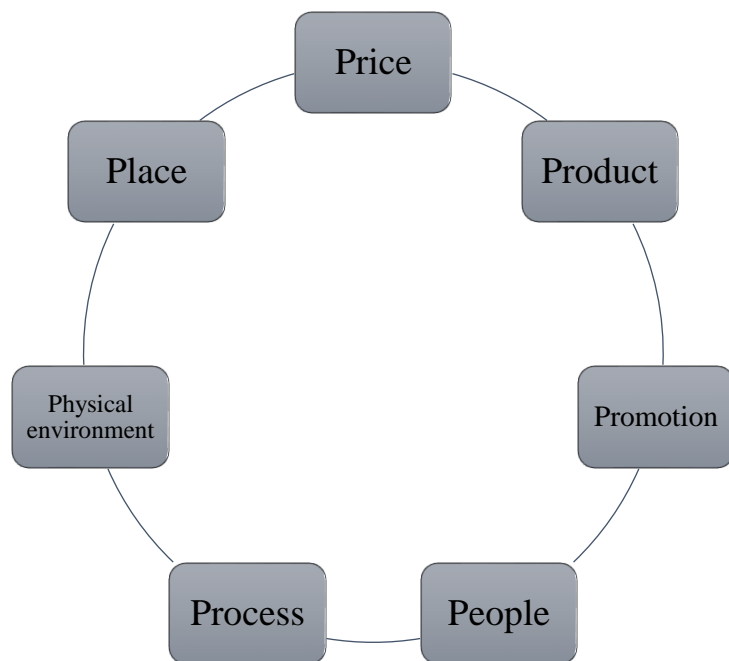


Figure 1. 7P's of marketing.

Product strategy. Product-related marketing strategies are basic in any organization. These strategies include the practice of product design and the practice of technology in product progress as well as distribution. It can be claimed that the product is the most significant element of the retail structure, since only with smart products will the effort devoted to things like promotions and pricing bring any benefits. Product is the key item offered by a corporation to gratify the needs of their customers [7].

Pricing Strategy. M. Rapert, D. Linch, and T. Suter mentioned that price is the value placed on goods and services that customers are willing to pay for a product or service. According to D. Cravens and N. Piercy, the role of price in marketing strategy is dependent on the product, target market and distribution strategies that are chosen by management [8]. Managers responsible for a pricing strategy should base their verdicts on cautious consideration of numerous factors, such as cost, demand, influence on customers and competitor prices.

Marketing strategy in Uzbek automobile market. Relationship marketing is the process of building, maintaining, and expanding strong mutually beneficial relationships with consumers and other stakeholders through the provision of services with high consumer values. If today the socio-ethical concept of marketing is universally recognized around the world, marketing in Uzbekistan is gaining momentum. Marketing services are being created in organizations, marketing research is being conducted, Uzbek markets are being studied. One of the concepts discussed is business management, based on the situation in different commodity markets. The world experience of marketing, taking into

account the peculiarities of the Uzbek market, serves as the basis for the success of the country's enterprises in the current economic situation.

Based on the proposals developed to improve the implementation of marketing strategies in car companies:

Determined average value of the cultural-psychological "portrait" of consumers in the national car market of Uzbekistan is at the level of 75.8% and based on it, a program of differentiation of the model range of the "LADA Uzbekistan" brand was adopted for implementation (Reference No. 02-14/-02110 of the Ministry of Investments and Foreign Trade of the Republic of Uzbekistan dated March 9, 2022). As a result of the implementation of these proposals, the founder of the LADA Uzbekistan brand, "Roodell" LLC, in September-December 2021, the delivery of cars in white, gray and black colors, which are popular among customers, increased by 136%, the sale of models with additional processing in the "sports & deluxe" tuning method has been launched, as well as sales of "sedan" and "universal" cars increased by 161.3 percent [9].

A marketing promotion strategy including a discount "test drive" with a "full service" package and universal "trade-in" mechanisms regardless of model and mileage was implemented (Reference No. 02-14/-02110 of the Ministry of Investments and Foreign Trade of the Republic of Uzbekistan dated March 9, 2022). As a result of the introduction of this offer, the car sales of "Roodell" LLC, the founder of the "LADA Uzbekistan" brand, reached 10.6 billion soums in November 2021, an increase of 298.3% compared to the average monthly sales volume [10].

A price strategy to reduce the cost of "LADA Uzbekistan" brand cars by an average of 6.6% due to the introduction of the system of ordering spare parts to local manufacturers (ODM) of the industrial cooperation without a license has been adopted for implementation (Reference No. 02-14/-02110 of the Ministry of Investments and Foreign Trade of the Republic of Uzbekistan dated March 9, 2022). As a result of the implementation of this proposal, the founder of the "LADA Uzbekistan" brand, "Roodell" LLC, will import ready-made cars on the basis of "CBU" (complete build-up), i.e. import of ready-made cars and domestic the practice of selling to the market began to be gradually reduced, and as of January 1, 2022, it was achieved to reduce the volume of imports by almost 42.4%, and the new "SKD" (large knotted parts) localization of "Vesta", "X-Ray" and "Largus" models in the assembly area of Jizzakh region assembly) production was launched. The most modern robotized conveyor lines were installed at the enterprise, on the basis of which 233 new jobs were created, and as of January 1, 2022, a total of 32.7 billion. 197 cars worth soums were produced [11].

Forecast indicators of the sales volume of the "LADA Uzbekistan" brand until 2026 based on normal, optimistic and critical scenarios have been introduced into the Roodell LLC (Reference No. 02-14/-02110 of the Ministry of Investments and Foreign Trade of the Republic of Uzbekistan dated March 9, 2022). As a result of the implementation of this scientific innovation, the strategic road map until 2026 of Roodell LLC, the founder of the LADA Uzbekistan brand, was developed [12].

The results of the study showed that the Lada Uzbekistan brand has a strong competitive position in the market and the main elements of its marketing strategies are as follows:

- a. Market segmentation: The Lada Uzbekistan brand has positioned its products according to different segments, namely, the low-cost Lada Granta and the premium Lada XRay models, which have succeeded in attracting customers. In 2023, the Granta model accounted for 60% of all Lada cars sold in Uzbekistan [13].
- b. Advertising and online marketing: In recent years, Lada Uzbekistan has been paying great attention to online marketing. In the first half of 2023, the company increased the amount spent on online advertising by 40%, which led to a 15% increase in car sales [14].

- c. Customer service: Training and special promotions have been established in dealership networks to improve the quality of customer service. During 2023, 90% of customers were satisfied with the services provided by dealers [15].

5. Conclusion

In summary, based on the results of the study, the Lada Uzbekistan brand has successfully implemented its marketing strategy and achieved significant progress in increasing its competitiveness in the market. Factors such as market segmentation, diversification of advertising channels and quality customer service contributed to the successful development of the company. It is also necessary to continue the development of digital marketing and strategies for continuous communication with customers.

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