

Effective Models of Marketing and Management for Small and Medium Businesses

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Abstract: *The article describes the importance of marketing for small and medium-sized businesses, the necessity and possibilities of effective models in its management.*

Keywords: *small and medium-sized businesses, marketing, management, management, advertising, iterative development, KPI, outsourcing.*

Small and medium-sized businesses (SMEs) are the backbone of any country's economy. In Uzbekistan, the share of SMEs in the gross domestic product is increasing year by year. However, adaptation to market competition, attracting clients, and effective management remain important issues in this area. SMEs operate under conditions of limited resources; therefore, it is necessary to apply appropriate, affordable, and effective marketing and management models. This article analyzes the most useful marketing and management approaches for small businesses. First, let's briefly introduce the concept of small business.

Small business is a type of corporation, partnership, or individual entrepreneurship in which the number of employees is small and/or the annual income is lower than that of a simple enterprise or corporation. Business entities are defined as "small" in terms of applying for state support and having a preferential tax policy. Skills vary by country and industry.

Small businesses in many countries include service or retail operations such as shops or merchants. Some specialists work as small businesses, such as lawyers, accountants, or doctors (although these specialists can also work in large organizations or companies). When organizing a small business, difficulties may arise in its management:

- 1. Low budget** - not much money is allocated to advertising and market research, representatives of small businesses do not spend much on such tools, or there is a shortage of funds.
- 2. Personnel shortage** - often the entrepreneur himself performs all the functions, having to be an accountant, a salesperson, and a cashier.
- 3. Non-recognition in the market** - due to a limited customer base, an unknown brand, large enterprises, representatives of this business may have difficulty entering the market.
- 4. Competition is strong**, opportunities are limited, and since business is just starting, competitiveness is low, and the enterprise's capabilities are limited.

Therefore, they need simple, effective, cost-effective strategies and marketing models. I would like to mention a few of them in this article:

1. Content Marketing

Trust is increased by sharing useful information, videos, and customer feedback about the product on social networks (Instagram, Telegram, Tik-Tok). As we all know, many companies maintain and

actively participate in their pages, where they can attract their target audience by providing information about various news and new products, thereby attracting customers not only from the local but also from other regions.

2. Target Advertising

Advertising to the right audience with minimal funds. Facebook Ads and Instagram Ads are ideal for SMEs. That is, through targeted advertising, the enterprise can send advertising videos and posts to the audience it needs, depending on gender, age, territory, and interests; this area is currently developing rapidly.

3. Referral marketing (customer brought by a client)

If an old customer brings a new one - a gift or a discount. This method also increases customer loyalty, meaning attracting customers through vouchers or discounts will be effective.

4. Google My Business / Yandex Maps

It's important for the company to appear on the map to be found, visible, and trusted online.

5. Promotions and discounts

Special offers depending on holidays, bonus on the first order - a traditional, but effective way to attract customers, we can see this method in new restaurants and stores, where they give a 30% discount on the first order or vouchers for the first product in different amounts.

In running a small business, it is necessary to pay great attention not only to marketing, but also to how it is managed, and I would like to give examples of flexible management models.

1. Lean management

Focus on creating real value for the client by reducing unnecessary expenses. This stems from the Toyota production system established in the late 1940s. In the late 1940s, when Toyota laid the foundations of lean manufacturing, they aimed to reduce processes that do not add value to the product. Thus, they achieved significant improvements in productivity, efficiency, turnover time, and cost efficiency. The success of TPS at Toyota led to the spread of Lean thinking worldwide and the implementation of Lean principles. Today, lean management is applied in various industries and organizations and has developed, encompassing various tools, techniques, and approaches. This management is based on 5 principles. The five principles are a recipe for improving workplace efficiency and include:

- determination of value,
- mapping the value stream,
- creation of a flow,
- use of the traction system
- striving for perfection.

2. Agile approach

Step-by-step planning of work and readiness for rapid changes. This is a project management approach focused on flexibility, collaboration, and continuous improvement, particularly in software development. This involves breaking down projects into smaller, controlled cycles called sprints, allowing teams to adapt to changes and deliver value iteratively. Agile management emphasizes iterative development, frequent feedback, and self-organizing teams. Projects are developed not in a single, long process, but in short periods (sprints or iterations). Agile methodologies incorporate changes and allow teams to adjust plans based on feedback and evolving requirements. Agile encourages close

collaboration between team members and stakeholders who have frequent communication and feedback. Agile management is a set of philosophies and practices that emphasize collaboration, flexibility, and continuous improvement to deliver value to customers faster and more efficiently.

3. CRM Systems

Regulation of the client base, sending them automatic reminders and invitations. Systems like Bitrix24 and Zoho are suitable for SMEs. This is applied software designed to automate customer relationship strategies, in particular, to store information about customers and their relationship history, to set up and improve business processes, to improve customer service by setting up and improving business processes, in particular, to increase sales, optimize marketing, and improve customer service.

CRM is a model of interaction based on the theory that the center of all business philosophy is the client, and the main directions of the company's activities are measures to ensure effective marketing, sales, and customer service. Support for these business goals includes the collection, storage, and analysis of information about consumers, suppliers, partners, as well as the company's internal processes. These business goal support functions include sales, marketing, and customer support. The CRM system may include:

- frontend, which provides customer service at points of sale with autonomous, distributed, or centralized information processing;
- operational part, which provides operational authorization and prompt reporting;
- Database;
- analytical subsystem;
- distributed sales support system: data copies or smart cards at points of sale.

4. Outsourcing

Entrust accounting, advertising, or IT services to external specialists, focusing on the main business.

5. Business Plan and KPI System

Clearly defining the goal, monitoring through indicators.

In conclusion, the success of small and medium-sized businesses directly depends, first of all, on the adoption of the right marketing strategy and management decisions. Rational use of limited resources, that is, reaching a wider audience of clients at low cost and providing them with high-quality service, is an important factor in achieving an advantage in a modern competitive environment. At the same time, the effective use of various benefits, grants, and support programs provided by the state for SMEs contributes to the sustainable development of this sector and strengthens its place in the economic system.

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