

**THEORETICAL BASIS OF THE FORMATION AND DEVELOPMENT OF THE FOOD MARKET**

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**Annotation:** The article presents a grouping of studies revealing the essence of the food market and summarizes modern approaches. An improved author's definition of the food market has been developed. Segmentation was carried out and hierarchical levels were determined based on the functions of the food market. Scientific conclusions and practical recommendations on the implementation of complex measures in the food market have been developed.

**Key words:** food market, agrarian markets, agricultural market, agro-industrial complex, industry features, research, segmentation.

**Introduction:**

The food market should provide the population with the opportunity to buy the necessary amount and wide variety of food products. In this respect, the provision of quality food products to the population based on the formation and development of the food market has become an urgent problem for the social policy of the state. The food market, first of all, solves socio-economic and political problems and should serve it. These challenges are to increase the well-being of the population based on a healthy and reasonable food supply.

Therefore, there is a need to study the theoretical and methodological problems and develop modern scientific approaches aimed at researching the food market in the world. In this regard, specialization of the production of food products based on natural and economic conditions, accumulation of capital in the food market and increase of investment attractiveness, improvement of the structure of export and import, expansion of the supply volume and types of products, improvement of the effectiveness of state regulation and social programs, unfavorable special attention is paid to the issues of ensuring food safety in the conditions of the market situation. The results of this research are evaluated as a system of measures aimed at ensuring economic growth and social stability.

**Analysis of literature on the topic**

Studies carried out in foreign countries show that consumer decisions in the food market are similar regardless of age, gender, nationality and social status of the population. From this point of view, on the one hand, an environment of free competition has been formed in the food market, and on the other hand, the level of demand saturation is high [1]. The food market represents human existence, social and economic development, peace and prosperity of the country [2]. The food market is one of the pillars of national food security, and its development depends on the income of the population [3]. By researching the food market, the points and stages where food safety can be controlled are determined [4].

The research carried out in the Russian Federation shows that the food market, like other markets, is a socially necessary market that affects the formation of regional conditions of reproduction, determines the economic environment and, in many ways, the standard and quality of life of the population [5]. The food market is a unique dynamic system based on rational formation and distribution of primary and secondary processed food resources. It is a system that determines the interaction of sellers and buyers, ensures the achievement of the necessary quality and price in the volume and structure of production [6]. In many cases, the food market is viewed as a complex

system that generates complexity. In particular, the food market is a system of economic relations between producers, market infrastructure subjects and consumers, as well as the demand and supply of food products within these groups [7]. In particular, the food market is seen as a complex system of socio-economic relations organized on production, exchange, distribution and consumption between agricultural and processing industry, food enterprises and infrastructure entities, population and the state [8]. The research carried out in recent years shows that the food market is a spatially concentrated reproductive system, which connects the economic relations between the subjects of food production and consumption, and is a relatively independent part of the national economy that performs its own economic, social and political tasks. [9].

The concept of the food market formed in foreign countries and the Russian Federation is of particular interest in scientific literature and practice, and the conducted research can be summarized as follows:

- the food market is distinguished from other markets by its specific quality aspect and generality of goods;
- the food market includes the market of agricultural products and products obtained as a result of its processing. The formation and development of the food market is carried out through the interaction of various sectors of the economy, and their commonality is the agro-industrial complex, which traditionally combines three sectors;
- the food market creates a "production-consumption" chain, and within it performs tasks such as collection, sorting, transportation, storage, processing, financing and redistribution to deliver the product from the field to the final consumer.

The above researches and modern approaches do not allow to give a single definition of "food market". In most cases, the food market is interpreted as a part of the agro-industrial complex or equated with the concept of agrarian markets.

In our opinion, agrarian markets are an integral concept, directly connected with all sectors of the agro-industrial complex and land resources. In this case, the market mechanism cannot equalize the demand and price for agricultural products with other sectors of the economy. This situation is explained by the mobility of agricultural products. The mobility of agricultural products is determined by the specificity of the industrial sector. In particular, the industrial network complicates, slows down, and sometimes prevents the transfer of resources from agriculture to profitable sectors. This is because agricultural land, agricultural crops, livestock and other agricultural products are not used in other sectors of the economy.

Therefore, it is necessary to scientifically analyze the concepts of "agricultural products market" and "agrarian markets" from a conceptual point of view. These markets link production with consumption in a general approach. Agrarian markets consist of interconnected markets with different commodity objects, or the object of trade can be land, labor, material and technical, financial and other agricultural resources. The market of agricultural products is manifested only in the goods transferred to the processing industry.

At the same time, the attachment of the producer to the buyer on the basis of the government order is essentially a distribution relationship, while payment for the delivered product is an exchange relationship. Of course, the unreasonably low determination of prices by the state order distorts the real economic content of market relations, and the distribution takes on a predominantly monopsony character. According to these conditions, the functioning mechanism of agrarian markets and the market of agricultural products is formed.

In the conditions of Uzbekistan, the food market was studied as a category describing a certain type of economic relations of commodity production [10]. Marketing studies were conducted from the perspective of the development of the farmers' market [11]. Seasonal price changes at the farmers' market have also been studied [12]. In the composition of the consumer goods market, there are also

studies aimed at the development of the food market [13]. In most cases, food market research issues were carried out on some of its segments [14].

Summarizing the research carried out in Uzbekistan, it is possible to distinguish different approaches that reveal the nature of the food market. Including:

- economic relations are established with the help of exchange relations, and food products are traded and processed;
- taking into account that food products are produced directly in agriculture, the food market is an integral part of the market of agricultural products;
- the food market is an intermediary between agriculture, processing industries and food consumers;
- the basic products produced by agriculture provide an opportunity to obtain the necessary means to continue the production cycle in the food market;
- the food market covers the sphere of production and consumption and the sphere of infrastructure that serves to ensure and manage the normal conduct of market relations on sale.

It can be seen that the food market is interpreted as an integral part of agro-industrial production and the market of agricultural products. Here it should be noted that the main buyer in the market of agricultural products is the third sector of the agro-industrial complex. The participation of intermediaries leads to the formation of wholesale and retail trade in the markets. However, if agricultural products undergo processing (the final product of the agro-industrial complex), they become industrial products or other market activities occur.

In our opinion, the agricultural market and the food market differ significantly in terms of subjects and economic sectors covered. Because the agricultural market operates within the agro-industrial complex and connects producers with intermediate consumers. And the food market connects the production of agriculture and food industry with the consumption of the population.

### Research methodology

In the study, the general and specific aspects of the food market were determined through the method of comparative analysis. Using the method of abstraction, the results of various opinions were summarized, which made it possible to observe a certain group of interrelated phenomena in the food market and to learn its true content. A theoretical overview of the food market was created and its importance was justified through the logical methods of the research.

### Analysis and results

Describing the food market as an "intermediary" between agriculture, processing industries and food consumers also limits its activity. Because the food market originates from the nature of production, at the same time it has independence and actively affects all reproduction processes, their results and efficiency. It begins a new circle of the production cycle rather than ending with the stages of distribution and exchange. At the same time, it describes the process that includes the system of social relations. These relationships are constantly influenced by supply and demand, regional characteristics, and management decisions. It is a self-regulating system that is in a state of continuous development.

The concept of "food market" is fundamentally different from the definitions corresponding to the generally accepted concept of "market" according to a number of its features. In particular, the food market is different from other markets due to the existence of constant demand, daily and weekly quantity of products determined by human needs and its immutability, constant purchase of products necessary for nutrition regardless of the price, and other socio-economic conditions. The food market includes a system of social relations together with conditions of sale.

Summarizing and supplementing the above analysis, the food market can be defined as follows. The food market is an indicator of the welfare of society and the sphere of personal consumption, which determines the regional conditions of reproduction, is aimed at providing the population with a wide variety of food products. The food market is an object of sale of ready-to-eat food products produced in agriculture and the final (food industry) product of the agro-industrial complex. In this sense, the food market represents a process that depends only on population consumption.

The nature and importance of the food market is also shown through its functions. The main tasks of the food market include:

meeting the population's demand for high-quality food products in a full assortment;

sale of a part of the gross social product for personal consumption. This allows for the production and exchange of food products, covering the costs of social labor. In the process of fulfilling this task, the sale of food products is created, money resources for a new production cycle are received, and funds are created for the expansion of reproduction;

formation of the type and quality of products that ensure the maximum satisfaction of the population's demand for food products. An in-depth analysis of population demand and product supply allows for the formation of quantitative dimensions that ensure a balance between the type and quality of food products;

production promotion. It forces production to adapt to changing demand, using trade feedback representing consumer interests.

Thus, the main tasks of the food market provide connections between all stages of reproduction. In this case, trade appears as a component of the reproduction process as a stage of distribution and exchange.

The food market is segmented according to the tasks performed and by different characteristics. It is possible to distinguish the world market, international markets, and the domestic market of the country according to the regional symbol. Domestic markets are divided into national, regional and local markets. The market of countries that are food exporters and the market of countries that are food importers are divided according to the level of supply. According to the forms and stages of movement of goods, they are divided into the wholesale market and the retail market. It is possible to distinguish the food market of countries or regions with different opportunities in terms of the level and composition of income per person. Also, according to the terms of storage and sale of goods, they are divided into the market of long-stored and perishable goods. It is possible to determine the specialization of the food market by product mark (Table 1).

In this regard, determining the conditions determining the level of development of the food market and influencing factors at different hierarchical levels, developing measures to eliminate internal and external threats is an important task today.

It is known that the food market has a serious impact on the state of the economy and the social stability of society. Therefore, the development of the food market in all countries is constantly monitored, from the level of scientific research to the level of government decisions. Based on the analysis of the connections specific to the market conditions, strategic directions for the development of the food market are developed and the food policy of the state is put into practice.

1- table

**The main characteristics and segmentation of the food market<sup>1</sup>**

<b>№</b>	<b>Main characters</b>	<b>Segmentation</b>
1.	Territorial coverage	World market

<sup>1</sup> Developed by the author.

		International markets (EU, CIS, etc.) National markets Regional markets Local markets
2.	Level of food security	Market of exporting countries Market of importing countries
3.	Form and stages of movement of goods	Wholesale market Retail market
4.	Level and composition of income per person	The market of low-income countries Market of middle income countries Market of high income countries
5.	Terms of storage and sale of goods	Market for long-term storage goods Perishable goods market
6.	According to the product mark	Grain market Potato market Fruit and vegetable market Sugar market Market of meat and meat products Market of milk and milk products Vegetable oil market and others

It should be noted that the formation and development of the food market is related to specific characteristics of each country under the influence of political, socio-economic, demographic, historical-economic, regional and natural factors. In accordance with this, it is required to create the necessary conditions to bring the production of food products to the level that can satisfy scientifically based needs and to support the solvency of the population, which will be sufficient for the rational nutrition of the population.

In order to regulate the food market in our country, its structural mechanism should be thoroughly developed. In this regard, it can be noted that the measures developed in our country and many years of experience are focused on supporting food producers, that is, stimulating supply. However, in order to achieve market equilibrium, it is appropriate to regulate not only aggregate supply, but also aggregate demand, and take into account its shifts, sharp rises and falls..

### Conclusions and suggestions

The food market is primarily based on the existence of the agricultural and food industry, which ensures participation in interregional economic relations. This does not necessarily mean that the agricultural and industrial sectors must provide the region with food in full. They should be in a position to satisfy the population's demand for basic food products, and the share of the region in the formation of food reserves should be constantly growing.

The food market is a priority in the economy of each country and requires the implementation of systemic measures of a complex nature, including:

- ensuring the integrity of the national market, specialization of the regions of the country based on their natural, demographic and economic potential and deepening mutual integration relations on this basis;

- in addition to the development of the production industries of the region, attracting investments and establishing innovative activities, thereby consistently reducing the cost and maintaining the price and quality advantages of national products compared to imported goods;

ensuring the optimal share of food products in the population's consumption expenditure, in this regard, preventing sharp price fluctuations under the influence of various factors, in particular, effective use of a number of mechanisms, such as conducting a strict price policy, creating reserves, stimulating product production, combating economic crimes ;

Proportionately indexing incomes that provide real opportunities for the population's purchasing power and stimulating domestic demand in the face of constant price increases;

maintaining a positive balance between the volumes of export and import of food products, on the one hand, will increase the country's tolerance to external pressures, and on the other hand, the country will be able to maintain the potential of its national food market even in unfavorable market conditions.

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