

## IMPROVING COMPETITIVENESS OF RETAIL ENTERPRISES THROUGH PRICING POLICY OPTIMIZATION

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**Abstract:** This thesis examines the current issues of improving competitiveness of retail enterprises through pricing policy optimization. The importance of strategic pricing approaches in the regional retail market is analyzed and practical recommendations are developed based on international experience.

**Keywords:** pricing policy, retail competitiveness, pricing strategy, dynamic pricing, price optimization, competitive pricing, profit margin, consumer behavior.

**Аннотация:** В данном тезисе рассматриваются актуальные вопросы повышения конкурентоспособности предприятий розничной торговли путём оптимизации ценовой политики. Проанализировано значение стратегических подходов к ценообразованию на региональном рынке розничной торговли и разработаны практические рекомендации на основе зарубежного опыта.

**Annotatsiya:** Ushbu tezisdagi chakana savdo korxonalarining raqobatbardoshligini narx siyosatini takomillashtirish orqali oshirishning dolzarb masalalari ko'rib chiqilgan. Mintaqaviy chakana savdo bozorida strategik narxlash yondashuvlarining ahamiyati tahlil qilingan va xorij tajribasi asosida amaliy tavsiyalar ishlab chiqilgan.

**Ключевые слова:** ценовая политика, конкурентоспособность розничной торговли, стратегия ценообразования, динамическое ценообразование, оптимизация цен, конкурентное ценообразование, маржа прибыли, поведение потребителей.

**Kalit so'zlar:** narx siyosati, chakana savdo raqobatbardoshligi, narxlash strategiyasi, dinamik narxlash, narxni optimallashtirish, raqobatbardosh narxlash, foyda margini, iste'molchi xulq-atvori.

In the modern market economy, pricing policy serves as one of the most powerful tools for ensuring retail enterprise competitiveness. Within the framework of the "Uzbekistan — 2030" strategy, developing competitive trade infrastructure and protecting consumer interests have become priority directions of state policy. In 2024, retail trade turnover in Uzbekistan reached 187.4 trillion UZS, with intensifying competition between modern retail formats and traditional trade channels. Research indicates that pricing decisions directly influence 78% of consumer purchase decisions, and a 1% improvement in pricing effectiveness can increase operating profits by 8-11%. However, many regional retail enterprises continue to rely on cost-plus pricing methods without considering competitive dynamics, consumer psychology, or demand elasticity. This approach significantly limits their competitiveness and profitability, requiring systematic transformation of pricing policy management [1].

When analyzing the current state of pricing practices, significant differences between sophisticated retail chains and traditional regional enterprises become evident. Large retail networks such as Korzinka, Makro, and Havas employ dedicated pricing teams, utilize analytical software, and implement dynamic pricing strategies. In contrast, survey data reveals that 67% of regional retail enterprises in Khorezm, Karakalpakstan, and Surkhandarya regions determine prices primarily through cost-plus methods, 54% lack systematic competitor price monitoring, and only 12% adjust prices based on demand fluctuations. This gap in pricing sophistication results in either excessive margins driving customers to competitors or insufficient margins eroding profitability. Developing strategic pricing capabilities is essential for regional retail competitiveness [2].

The first important direction of pricing policy optimization is implementing value-based pricing strategies. Value-based pricing sets prices according to perceived customer value rather than solely on costs or competitor prices. This approach requires understanding what customers truly value: product quality, convenience, service, brand reputation, or unique features. Research demonstrates that retailers successfully implementing value-based pricing achieve 15-25% higher profit margins compared to cost-plus pricing approaches. Key implementation steps include conducting customer research to understand value drivers, segmenting customers by willingness to pay, communicating value effectively through marketing, and differentiating offerings to justify premium positioning. For regional retail enterprises, identifying local value preferences and tailoring assortments accordingly creates sustainable competitive advantages [3].

The second important direction involves adopting competitive pricing intelligence and monitoring systems. In highly competitive retail markets, understanding competitor pricing is essential for strategic positioning. Modern competitive intelligence encompasses systematic price monitoring across competitor stores and websites, analysis of competitor promotional patterns and timing, identification of price-sensitive product categories, and benchmarking against market price indices. Technology solutions ranging from manual price surveys to automated web scraping tools enable continuous monitoring. Research shows that retailers with structured competitive intelligence programs achieve 8-12% better price positioning and respond to competitive threats 3-4 times faster. For regional retailers, establishing weekly competitor price checks on key value items and adjusting positioning accordingly represents an accessible starting point [4].

The third direction focuses on implementing psychological pricing techniques and promotional optimization. Consumer price perception often diverges from objective

price levels, creating opportunities for psychological pricing approaches. Effective techniques include charm pricing (ending prices in 9 or 99), price anchoring (displaying original prices alongside discounts), bundle pricing (combining products at perceived value), and tiered pricing (good-better-best options). Additionally, promotional effectiveness varies significantly: research indicates that 20-30% of retail promotions generate negative ROI due to poor design or cannibalization. Optimizing promotional calendars, targeting promotions to price-sensitive segments, and measuring incremental lift versus baseline sales improves promotional profitability. For regional retail enterprises, training staff in psychological pricing principles and systematically evaluating promotion outcomes enhances pricing effectiveness [5].

The fourth direction involves developing dynamic pricing capabilities adapted to demand patterns. Dynamic pricing adjusts prices in real-time based on demand, inventory levels, time factors, and competitive conditions. While sophisticated algorithmic pricing remains primarily the domain of e-commerce and large chains, regional retailers can implement simplified dynamic approaches: time-based markdowns for perishable goods, seasonal pricing adjustments, demand-responsive pricing during peak periods, and clearance optimization for slow-moving inventory. Research demonstrates that effective markdown optimization alone can improve gross margins by 2-4 percentage points. Technology requirements range from basic spreadsheet models to integrated point-of-sale systems with pricing modules. For Khorezm region retailers, implementing systematic markdown policies for fresh produce and seasonal merchandise represents high-impact, accessible improvement.

Improving competitiveness of retail enterprises through pricing policy optimization requires a comprehensive and systematic approach. Implementing value-based pricing strategies, adopting competitive intelligence systems, utilizing psychological pricing techniques, and developing dynamic pricing capabilities are

interconnected priority directions that should be implemented progressively based on enterprise capabilities. Consistent implementation of these measures will not only increase retail enterprise profitability and competitiveness but also improve market efficiency, benefit consumers through better price-value alignment, and strengthen the regional economy. In an era of increasing competition and price transparency, pricing excellence has evolved from a tactical function to a strategic imperative. Regional retail enterprises that invest in pricing capabilities will achieve sustainable competitive advantages, while those relying solely on traditional cost-plus approaches will face growing margin pressures and market share erosion.

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