



ENHANCING THE TERRITORIAL MARKETING MECHANISM FOR ECONOMIC DEVELOPMENT IN THE BUKHARA REGION USING AN INTEGRATED MIXED MODEL APPROACH

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Annotation. *This study proposes an integrated mixed model to strengthen the territorial marketing mechanism for economic development in the Bukhara region. It combines a composite assessment of territorial marketing efficiency with sectoral specialisation diagnostics based on Location Quotient, its dynamics, and growth indicators using district level data for 2020 to 2024. The model segments districts into strategic groups and links each group to targeted policy packages, supported by a KPI monitoring and risk management cycle. The approach provides a practical framework for prioritising territories, sequencing interventions, and improving accountability, and can be adapted for other regions.*

Keywords: *Territorial marketing, place branding, regional development, mixed model, specialisation, Location Quotient, monitoring, KPI system, Bukhara region.*

Territorial marketing has evolved from a narrow promotional function into a governance mechanism that aligns a region's economic specialisation, stakeholder communications, institutional capacity, and digital visibility with measurable development outcomes. Foundational place marketing and place branding research emphasises that places compete for investment, talent, visitors, and strategic projects through coherent value propositions and coordinated delivery systems rather than advertising alone (Kotler et al., 1993; Kavaratzis, 2004; Anholt, 2007). In parallel, regional development scholarship highlights the importance of place based policy design, functional territories, and evidence driven monitoring frameworks for targeting interventions where spatial disparities and institutional bottlenecks constrain growth (Barca, 2009; OECD, 2020). Building on these strands, this thesis proposes an integrated mixed model for improving the territorial marketing mechanism in the Bukhara region by combining a composite territorial marketing efficiency index with sectoral specialisation diagnostics and an implementation oriented KPI monitoring and risk management cycle.

Although many regions implement branding campaigns and investment promotion programs, two persistent gaps remain. First, territorial marketing



performance is often assessed through fragmented indicators that do not capture the joint effect of economic fundamentals and communication capacity. Second, strategic choices are frequently made without integrating sectoral specialisation dynamics, which are critical for identifying resilient growth paths and avoiding "one size fits all" policy packages. Cluster and competitiveness research demonstrates that the productivity and innovation advantages of regional economies depend on specialised ecosystems and their evolution over time (Porter, 1998). Therefore, a robust territorial marketing mechanism should simultaneously measure multi dimensional marketing capacity and the trajectory of sectoral specialisation, then translate the combined diagnosis into differentiated strategy packages and a continuous execution loop.

The proposed mixed model integrates three analytical layers.

Layer 1. Composite territorial marketing efficiency index. The thesis constructs a composite index based on normalised sub indices that capture (i) economic performance and investment labour outcomes and (ii) communication and market connectivity outcomes, and extends the framework by incorporating digital and institutional blocks for implementation realism. This design reflects the contemporary view that digital government capacity and institutional effectiveness condition the conversion of marketing initiatives into measurable development results.

Layer 2. Sectoral specialisation diagnostics. Sectoral specialisation is assessed with Location Quotient, its change over time, and compound annual growth dynamics. The logic is threefold: current specialisation strength, direction of change, and long run stability or trend are jointly required to distinguish mature competitive bases from emerging opportunities and declining legacies. The dissertation formalises an integrated typology based on thresholds for LQ, delta LQ, and CAGR, enabling a consistent interpretation of whether a sector is stable specialised, emerging, declining, or weak.

Layer 3 Strategic segmentation and execution. The mixed model translates the combined index and specialisation profile into a four quadrant district typology and links each quadrant to differentiated strategic packages (for example, export scaling, diversification, digital transformation, and institutional reform). The model then embeds these packages into a five stage implementation sequence supported by a KPI monitoring contour and a risk cycle to ensure adaptive governance rather than static planning.

The empirical design relies on multi year regional and district level data for 2020 to 2024 and calculates specialisation dynamics over 2021 to 2024 for key sectors including industry, agriculture, services, and small business.

The thesis delivers four principal contributions.



1. A unified diagnostic instrument for territorial marketing performance. By consolidating economic, communication, digital, and institutional dimensions into a single measurement framework, the model improves comparability across districts and time and supports prioritisation based on multidimensional constraints rather than isolated indicators.

2. A dynamic specialisation lens for strategy selection. Integrating LQ, delta LQ, and CAGR strengthens strategic intelligence by distinguishing structural strengths from temporary fluctuations and by making sectoral transformation trajectories explicit. This is methodologically aligned with competitiveness and smart specialisation logic, where policy targets are selected based on evidence of capability concentration and feasible upgrading paths (Porter, 1998; Foray et al., 2011).

3. A quadrant based segmentation that operationalises differentiated territorial marketing. The district typology shows why a universal policy package is inefficient and provides a rule based pathway for tailoring interventions. For instance, one quadrant prioritises stabilising existing specialisation and upgrading to higher value added activities, while another focuses on strengthening the economic base, and yet another on building market linkages and institutional communication infrastructure.

4. An execution ready governance model with KPI monitoring and risk management. The model formalises a KPI system across economic, communication, digital, institutional, and specialisation blocks and treats monitoring as an integral management cycle rather than an afterthought. This directly responds to the place based policy requirement that strategy must be coupled with accountable delivery and measurable outcomes (Barca, 2009; World Bank, 2009).

Practical implications for the Bukhara region

The integrated mixed model supports three high value applications for regional governance.

First, it enables evidence based prioritisation by identifying districts where economic potential exists but communication and institutional capacity limit conversion into investment, tourism flows, or business scaling. Second, it improves policy targeting and sequencing by linking each district quadrant to an internally consistent package of interventions and by emphasising that the appropriate starting point differs across local contexts. Third, it strengthens accountability and adaptive management by embedding KPI tracking and a risk cycle into the territorial marketing mechanism, enabling timely corrective actions when specialisation indicators deteriorate or when digital and institutional KPIs lag behind strategic targets.



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