



RESEARCH ARTICLE

The role of agricultural marketing in the formation of export potential in the post-conflict region of the Republic of Azerbaijan

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Abstract

International relations play a significant role in shaping the economic, social, and political landscape of our world. One of the primary importance of International relations is its ability to facilitate International trade and investment, promoting economic growth and development. Countries often engage in trade and investment with one another to gain access to new markets, resources, and technologies. These economic exchanges can lead to economic growth, creating jobs, and elevating the living standards of people worldwide. International relations also provide an opportunity for countries to address global problems such as climate change, terrorism, and public health crises. Through international cooperation and coordination, countries can pool their resources, experiences, and knowledge to effectively address these complex problems. International relations are crucial for promoting economic growth, addressing global challenges, and fostering cultural exchange and understanding.

Keywords: Agriculture, Marketing, Competitiveness, Economic growth, Post-conflict region of Azerbaijan.

Introduction

Globalization and the increasing interconnectedness of markets have brought new challenges to agricultural industries around the world. In this context, agricultural marketing plays a decisive role in the development and realization of the industry's export potential. The ability to successfully position agricultural products in international markets is not only dependent on product quality but is also largely controlled by effective marketing strategies. This scientific research is devoted to the analysis and assessment of the role

of agromarketing as a driving force in the formation of export potential in agriculture. By comprehensively considering the various influencing factors and mechanisms, this study aims to provide information that is relevant to various stakeholders in agribusiness. (Kokushkina & Voronin, 2007).

Material and Methods

To analyze the role of agromarketing in the formation of the export potential of agriculture, a comprehensive methodology was used, which made it possible to holistically consider the relevant factors. The study covered a specific period and covered a wide range of stakeholders in agribusiness. The methodology was divided into the following main components:

Literary Research

The analysis of relevant scientific works and specialized literature became the starting point for this study. The purpose was to create a theoretical framework for the study and identify existing findings to identify research gaps.

Quantitative Analysis of Market Data

Various market data were collected and analyzed. This quantitative analysis aimed to identify trends and patterns in export volumes and market shares.

The combination of these methods made it possible to conduct a multidimensional analysis of the role of agricultural marketing in the formation of the export

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potential of agriculture. By integrating qualitative and quantitative approaches, the study aimed to provide both a deeper understanding of practice and a broad, data-driven view of the topic (Kozak *et al.*, 2013).

Results and Discussion

The study highlights the importance of agromarketing in shaping agriculture's export potential and provides insights that could have far-reaching implications for agricultural sectors around the world. The discussion focuses on several key aspects that can be inferred from the results.

Identifying success factors in agricultural marketing highlights the critical role that targeted marketing strategy plays in enhancing the competitiveness of agricultural products in international markets. The ability to effectively market products with a focus on specific qualities is increasingly becoming a key differentiator in a globalized economy (Dadashov, 2021).

The study sheds light on the need for further research and targeted interventions in the field of agromarketing and agricultural export potential. Given the ever-changing global trade landscape and the growing importance of sustainable practices in agriculture, a better understanding of the mechanisms and influencing factors is needed. Overall, the present study makes it clear that in-depth analysis and targeted participation in the field of agromarketing can not only improve the exportability of agriculture but also make a sustainable contribution to global food security and economic development (Rahimova, 2018).

Specific Features and Current Situation of International Trade in the Azerbaijan Republic

Based on statistical reports, Azerbaijan's foreign trade relations and strategic partners' specific shares have been identified. Since its early years of independence, Azerbaijan has collaborated with international organizations, aiming to enhance its global standing and bolster foreign economic relations for economic development. Foreign trade strategies align with the country's economic and political priorities and are shaped by the prevailing economic, political, demographic, and international conditions. (Shekaraliyev & Shekaraliyev, 2016).

The analysis of the dynamics and current state of foreign trade relations of the Republic of Azerbaijan are shown in the following Figure 1.

As shown in the figure, over the past 22 years, Azerbaijan has witnessed an increase of more than 12 times in imports and more than 21 times in exports in terms of the country's total trade turnover. This is related to the country's economic development pace, the state's support mechanism for the economy, and the expansion and diversification of the country's international economic relations. It should also be noted that this period is characterized by a positive trade balance.



Source: Official information of the State Statistical Committee of the Republic of Azerbaijan <https://www.stat.gov.az/>

Figure 1: The dynamics of Azerbaijan Republic's foreign trade turnover, in millions US dollars

Geographical and Operational Structure of Foreign Trade Relations of the Republic of Azerbaijan, 1000 US dollars

According to the analysis of the table, European countries constitute around 72% of Azerbaijan's export geography, with Asian countries at 25%, the United States at 0.3%, and African countries at 1.5%, Oceanic countries 0.4%. In imports, European countries contribute 41%, Asian countries 52%, and the United States 6%, Oceanic countries 0.5%, and African countries 0.3%. European countries stand as Azerbaijan's primary strategic economic partners. Notably, the country's foreign trade turnover has surged more than 8 times in the past two decades.

Foreign trade significantly impacts the economic development of Azerbaijan, with import and export transactions serving as key indicators. Analyzing the commodity structure of these operations guides prospective trade strategies. Based on State Customs Committee reports (2020-2022), prominent imports include machines, food products, vehicles, tobacco, pharmaceuticals, plastics, and clothing. Major exports comprise oil and gas sector products, aluminum, cotton fiber, plastics, chemical industry products, and agricultural goods. The oil and gas sector dominates exports, accounting for 86.5 to 92.0%. Non-oil sectors contribute with aluminum (6.1–7.1%), cotton fiber (5.7–7.7%), plastics (8.9–16.3%), chemical industry products (5.0–12.7%), and agricultural goods (42.1–59.8%). This analysis informs trade strategies for the coming period, aligning with economic growth objectives. (The State Customs Committee of the Republic of Azerbaijan)

Agriculture as a Strategic Sector of the Azerbaijan, Its Potential and Current Situation of Development

The Republic of Azerbaijan prioritizes sustainable development in the agricultural sector to guarantee food security. The state aims to achieve dynamic agricultural sector development, ensure a healthy and secure food supply, enhance socio-economic well-being in rural areas,



Source: Official information of the State Statistical Committee of the Republic of Azerbaijan <https://www.stat.gov.az/>

Figure 2: Geographical and operational structure of foreign trade relations of the Republic of Azerbaijan, thousand US dollars

develop rural infrastructure, mitigate urbanization, and make the agricultural sector more appealing to young professionals. These efforts align with the state's goal of ensuring national strategic security amidst the complexities of the global food market. (Azerbaijan 2030: National Priorities for socio-economic development).

Sustainable development in the agrarian sector relies on enhancing export orientation by increasing agricultural production and ensuring international competitiveness. (Export and Investment Promotion Agency of the Republic of Azerbaijan).

To assess our country's export potential in agriculture and identify future directions for export-oriented production, the analysis of self-sufficiency indicators is crucial. From 2019 to 2021, average self-sufficiency levels for crop products were as follows: cereals 70%, legumes 64%, potatoes 89%, vegetable products 100%, tomatoes 100%, melons 100%, fruits and berries 100%, walnuts and hazelnuts 100%, pomegranates 100%, grapes 95%. Livestock products demonstrated self-sufficiency levels of eggs 100%, milk and dairy 85%, poultry and meat 78%, sheep/goat meat 98%, and beef 84%. Processed foods exhibited self-sufficiency in refined rice 16.8%, flour 95%, cereals 34.7%, cocoa, chocolate, and sugar confectionery 31.5%, pasta 38.1%, vegetable oils 47.2%, fruit and vegetable juices 100%, canned fruits and vegetables 90.5%, butter 66.3%, all types of cheese 87.3%, raw materials for sugar production 10.6%, yogurt and dairy products 94.1%, milk and cream (1–6% fat) 99.1%, milk and cream (more than 6% fat) 92.1%. (The State Statistical Committee of the Republic of Azerbaijan). The analysis of statistical figures suggests that the production dynamics and current conditions of agricultural products are favorable in our country, with the exception of cereals and legumes, poultry products, and the level of dependence on imports for these products is considered low. However, since the level of self-sufficiency in food products requiring industrial processing, except for fruit and vegetable preserves and juices, and flour products, is considered low, the import indicators for these products are considered high. On average for 2019–2022, imported agricultural products, such as meat (0.6%), milk (0.13%), butter and milk oils (0.7%), fruits and vegetables (1.7%), and tea (0.5%), pose specific threats to food safety in our country. Developing long-term strategies for export-oriented and import-substituting production in

this product category is deemed necessary. Conversely, our country possesses export potential, particularly in fruits and vegetables (2.6%), hazelnuts (4.8%), apples (1.56%), dates (4.43%), tomatoes (7.43%), tea (0.4%), potatoes, and sugar (1.3%), as well as vegetable and animal fats and oils (1.17%) and pomegranates (1%).

The analysis of statistical data suggests that international trade relations and trade turnover in the agricultural sector of the Republic of Azerbaijan have positive dynamics. This is characterized by a number of new trends and changes, such as the increase in the volume of demand due to the growth of the country's population, the transformation of production to a qualitatively new stage due to the change in the food ration and preferences of the population. In addition, since the geopolitical and environmental changes occurring in the region are characterized by an increase in the demand for the products of a number of sectors of Azerbaijan, including agriculture, the government of Azerbaijan faces new tasks and priority areas of action (Figure 2) (Rahimova, 2018). Taking this into account, one of the significant responsibilities before the Azerbaijani government in the framework of the new economic realities achieved in 2020 is the complete reintegration of the economic regions of Karabakh and Eastern Zangazur into the country's economy, as well as the restoration of all traditional economic sectors, improving socio-economic conditions for permanent settlement of the population, restoring domestic and international communication links and infrastructure, and achieving sustainability and economic growth in the country's economy. According to official statistical data analysis, there is a development potential for the tourism, mining, energy, light industry, textile, construction, food processing, and agriculture sectors in Azerbaijan's post-conflict region. The full-scale operation of these economic sectors in the perspective period will reduce the dependence of the country's national income and GDP volume on the oil sector and will promote the socio-economic development of all regions and the sustainable development of various sectors (Najafova & Abdullayeva, 2022).

The agricultural sector in Azerbaijan faces challenges amidst macroeconomic growth, including production volume, trade turnover, and self-sufficiency issues. These challenges impede export-oriented production and competitiveness. Azerbaijan's agricultural trade pattern involves exporting raw materials and importing processed food products, posing threats due to price fluctuations and economic-political tensions. Insufficient state export support, weak clustering among local producers, lack of market standard information, and weak competitiveness hinder access to foreign markets. Challenges include inadequate utilization of international transport advantages, financial inconsistencies, absence of communication and logistics centers, lack of pricing strategies, insufficient

organization experience among SMEs, and weak regulation of intermediaries. Successful contributions to the agricultural sector require businesses to implement effective management systems, utilize agromarketing mechanisms, and ensure overall sustainability (Veliyev, 2021).

Agricultural Marketing as an Effective Tool for Sustainable Development of the Sector

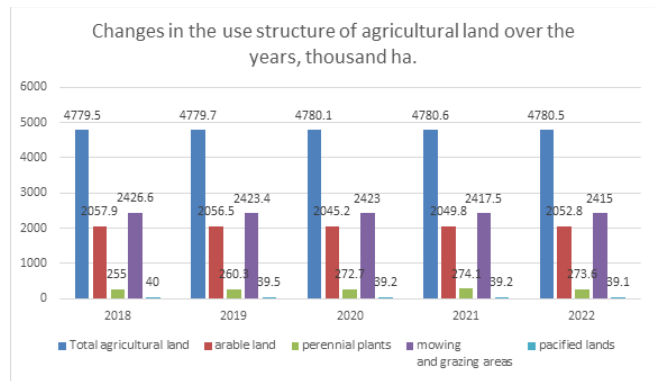
Analyzing agricultural land is pivotal in understanding the role of agricultural marketing in boosting export potential. It serves as a foundation for developing strategies to efficiently expand and optimize agricultural production for global markets. The size of agricultural land directly influences achievable production levels, and aligning marketing strategies strategically is crucial for the effective organization and promotion of agricultural products internationally. Examining land use patterns helps identify optimal uses for different types of agricultural land, while understanding the total agricultural land area provides valuable insights into production expansion potential. This knowledge is essential for crafting sustainable marketing strategies that address current market demands and future growth opportunities (Asadov, 2012).

Finally, agricultural land accounting helps ensure the sustainability of the agricultural ecosystem. When developing a marketing strategy, it is important to balance the goal of increasing production with the need to preserve natural resources for future generations (Figure 3).

Accounting for agricultural land is integral to studying agricultural marketing's role in enhancing export potential. This understanding not only deepens insights into the agricultural sector but also forms the basis for developing effective marketing strategies for global market positioning.

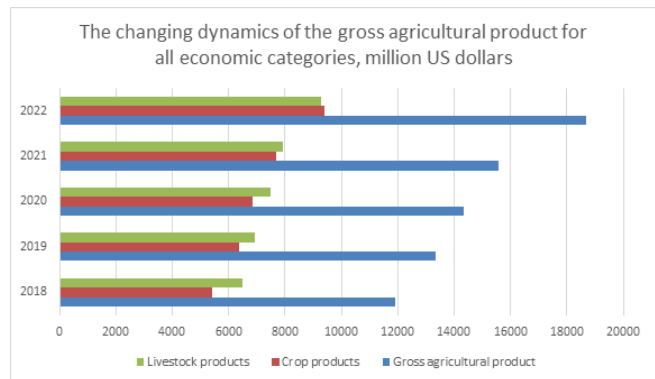
Gross agricultural product, as a key economic indicator, reveals aspects influencing marketing strategies. Firstly, it measures overall agricultural productivity, providing crucial data for assessing economic contributions and guiding strategies to increase efficiency and maximize profits. Secondly, studying gross agricultural products informs marketers about trends in agriculture, enabling them to adapt strategies to market dynamics (Kosheleva, 2016).

This is of great importance for identifying promising areas of development, determining demand for specific products, and developing measures for their successful marketing. Third, the relationship between gross agricultural output and agricultural marketing embodies the principle of reciprocity: successful agricultural marketing contributes to an increase in gross agricultural product, and the efficient use of resources and optimization of production processes, in turn, influence the effectiveness of marketing efforts. As a result, the joint analysis of gross agricultural product and the development of agricultural marketing represent a closely interrelated process aimed at creating a sustainable and competitive agricultural system. Such interaction not



Source: Official information of the State Statistical Committee of the Republic of Azerbaijan <https://www.stat.gov.az/>

Figure 3: Changes in the use structure of agricultural land over the years, 1000 ha



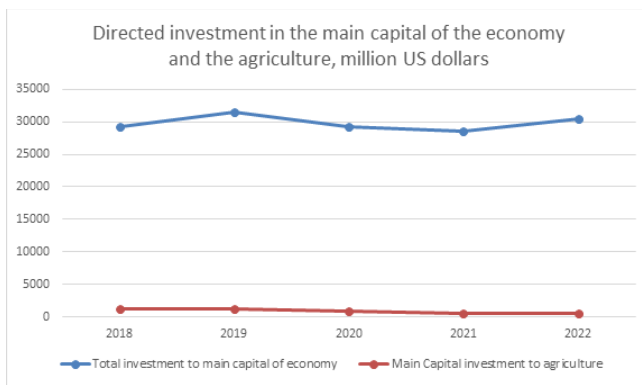
Source: Official information of the State Statistical Committee of the Republic of Azerbaijan <https://www.stat.gov.az/>

Figure 4: The changing dynamics of the gross agricultural product for all economic categories, million US dollars

only allows for efficient use of resources but also successfully adapts to changing market conditions and thereby contributes to the prosperity of the entire agricultural sector.

The study of gross agricultural product is crucial for understanding the overall economic contribution of agriculture and is a key factor in developing successful marketing strategies for increased export potential (Figure 4). This process lays the foundation for sustainable rural development models, enabling effective global competition and enhancing a country's position in the global agricultural community. Analyzing gross agricultural product goes beyond statistical considerations, serving as a strategic basis for sustainable development and successful export interactions.

Agricultural marketing development is closely tied to investment levels in agriculture. Investments play a crucial role in shaping contemporary and competitive agriculture by providing financial support and fostering technological innovation, logistics improvements, and human capital development. They facilitate the integration of modern technologies, enhancing efficiency and optimizing



Source: Official information of the State Statistical Committee of the Republic of Azerbaijan <https://www.stat.gov.az/>

Figure 5: Directed investment in the main capital of the economy and the agriculture, million US dollars

production processes. This, in turn, supports the development of successful marketing strategies based on high-quality and innovative products. Investments also contribute to research and development, improving product quality and expanding the range of agricultural products. Education and workforce development investments strengthen the skills of agricultural marketers, enabling effective responses to changing consumer demands and global trends. Overall, investments in agriculture create conditions for a robust and competitive agricultural culture, fostering the development and effective implementation of agricultural marketing (Figure 5). This interconnected process establishes a sustainable system capable of adapting to market challenges and meeting the demands of modern consumers (Mirzayev, 2021).

Agromarketing, a management process in agriculture, encompasses analytical, production-sales, and control-management functions. The analytical function involves researching the internal and external agricultural environment, market situations, consumer preferences, competition, and product suitability. Production-sales focuses on organizing high-quality product production, analyzing export opportunities, identifying favorable sales channels, and improving pricing strategies. Control and management involve marketing research, strategy implementation, agricultural planning, and evaluating marketing decisions. Marketing activities aim to enhance product quality, increase production and sales, optimize expenses, and facilitate foreign market access. Implementing agromarketing in post-conflict regions like Azerbaijan fosters continuous development by aligning production with market demand and increasing sales potential. A robust agromarketing system expands the export market, creates employment opportunities, boosts demand for agricultural products, and enhances the income of agricultural enterprises. (Asadov, 2012).

The agricultural marketing mechanism plays an increasingly important role in the context of the dynamic

changes and significant impacts of various external environmental factors on the activities of agricultural enterprises that will be created in the economic regions of Karabakh and Eastern Zangazur of the Republic of Azerbaijan. Since they will operate in such an environment, the application of an adaptive management system and the management of information issues are becoming more important. In general, it should be noted that the implementation of the marketing system is aimed at ensuring the rights of all participants in the production-sales process, optimizing the use of resources, managing production, including forecasting production, planning sales, and ensuring the food security of our country (Mirzayev, 2021).

In the initial stage of agromarketing system implementation, analytical assessments were conducted in the Karabakh and East Zangezur economic regions. This process involves key stages, including internal and external environmental analysis, product production planning, price strategy development, selection of sales channels for domestic and foreign markets, and logistics analysis for export. Analyzing factors such as land and water resources, infrastructure, regional human potential, global and national economic conditions, political stability, climate change, and the state of international agricultural trade is crucial for ensuring sustainable development in Azerbaijan's post-conflict agricultural sector (Kozlova & Petimko, 2020).

Agricultural Potential of Post-conflict Territories of Azerbaijan Republic

In the 1990s conflict, Azerbaijan lost 280,000 hectares of forests, nearly 1 million hectares of productive land (including 127,000 hectares of irrigated land), and 34,000 hectares of vineyards and fruit orchards. Additionally, 1,200 km of irrigation systems and 120,000 hectares of arable land in five regions outside the conflict zone were left uncultivated. The conflict resulted in serious challenges for Azerbaijan's agricultural sector, including issues related to land and water resource availability, land degradation, and climate change.

Analyzing pre-conflict data for the Karabakh and Eastern Zangazur economic regions reveals favorable natural climate factors and geographic conditions for agriculture development. The area's vast pastures, meadows, crop lands, water reserves, and fertile soil structures in both mountainous and flat areas are valuable for the sustainability of the agricultural sector. In the post-conflict region, key water reserves like Sarsang, Khudaferin, and Sugovushan reservoirs will provide irrigation for about 100,000 hectares of land, particularly in Tartar, Aghdam, Barda, Goranboy, Yevlakh, and Agjabadi districts. Moreover, there is potential for the development of smaller reservoirs like Kondelenchay, Hekericay, and Khachinchay. (Muzaffarli & Ismayilov, 2010).

Thus, the following are related to the social and economic infrastructure for ensuring the sustainability of the agrarian sector of the post-conflict region:

Science and education

Newly created scientific research institutes, laboratories and centers, vocational and professional training institutions, will make it possible to make scientifically based decisions in solving the problems that will arise in the production and sales activities of farmers. Education, on the other hand, can play an important role in ensuring the sustainable development of agriculture, in addition to providing farmers with the necessary knowledge and skills for modern farming practices (Najafova & Abdullayeva, 2022).

Transportation

Developing an efficient transportation system is of great importance for the implementation of agricultural production, which involves equipping resources such as seeds, pesticides, technical equipment, fertilizers, etc., as well as delivering the produced agricultural products to domestic and foreign markets and optimizing logistics costs. The creation of the Baku-Nakhchivan-Turkey railway line passing through the region, the construction of airports (Fizuli, Zangilan, and Lachin international airports), the formation of new highways (Khudafarin-Gubadli-Lachin, Zafar road, Kalbajar-Lachin, Fizuli-Hadrut, Fizuli-Shusha, Toganali-Kalbajar-Istisu, Fizuli-Hadrut, etc.), as well as the creation of the Horadiz-Jabrayil-Zangilan-Aghband highway known as the Zangezur corridor, provides an opportunity to turn the region into an important logistics and trade hub. The new logistics and transportation infrastructure will create conditions for the sustainable development of the agricultural sector in the post-conflict region, as well as ensure the efficiency of agricultural production and facilitate access to markets (Cabbarova, 2022).

Storage facilities

Storage facilities are crucial for the economic development of agricultural entities in the post-conflict region. The importance lies in preserving products, ensuring year-round sales, and stabilizing prices and farmers' income by preventing deterioration. Proper storage also contributes to food safety, creating added value through reliable food supply and fostering the development of the food processing industry.

Information and communication networks

Digital platforms and innovative technologies are key to realizing the strategic goals of implementing smart agriculture and smart cities in Azerbaijan's post-conflict region. The government aims to accelerate this through robust information and communication infrastructure. This infrastructure will provide farmers with timely, comprehensive, and accurate information on domestic and foreign markets, weather variations, and the essential data for precision farming principles. Armed with this information, farmers can make informed decisions based on scientific research, leading to increased productivity.

Access to financial resources

This plays an important role in expanding farmers' own farms, as well as in expanding the application of new technology and the implementation of investments in other works. The Azerbaijani government will provide special tax and customs privileges, credit facilities, and other privileges to farmers who will operate in the post-conflict region, acting as financial support for farmers.

The social and economic infrastructure plays a significant role in developing the agricultural sector in Azerbaijan's post-conflict region. Social infrastructure involves essential services for human well-being, while economic infrastructure supports economic activities (Veliyev, 2021). Analyzing current economic resources and infrastructure possibilities in the region highlights the need to explore development opportunities for agriculture and food processing industries. Economists predict that Kalbajar, Lachin, Qubadli, Zangilan, Jabrayil, Fizuli, and Agdam districts will heavily rely on agriculture. In the 1980s, this region contributed 35–40% of Azerbaijan's agricultural products. Pre-conflict, these districts accounted for 24% of the country's GDP, 40% of grape production, 45% of potato production, 18% of meat production, and 34% of milk production.

Local studies indicate more than 50% of available land in Agdam and Fizuli, approximately 45% in Jabrayil, 35% in Zangilan and Qubadli, and 10% in Lachin and Kalbajar are suitable for cultivation. Opportunities for animal husbandry development exist in all districts. As a result of analytical calculations carried out by local economists, post-conflict regions have specialized in agricultural products. The priority agricultural products are dependent on the natural reserves, climate and soil type in the specific district and the demand of the population. Based on these studies, the Agdam district, which is part of the Karabakh economic region, has mainly specialized in the fields of grain growing, cotton growing, fruit and vegetable growing, viticulture, and animal husbandry. The Fizuli district has specialized in grain growing, cotton growing, vegetable growing, viticulture, cocoon growing, and animal husbandry. According to research on the Eastern Zangezur economic region, the Zangilan district has specialized in the fields of grain growing, tobacco growing, grape growing, beekeeping, cocooning, and animal husbandry. The Jabrayil district has specialized in the fields of grain growing, grape growing, cocoon growing, and animal husbandry. The Qubadli district has specialized in the fields of grain growing, tobacco growing, grape growing, melon growing, fruit and vegetable growing, cocoon growing, beekeeping, and animal husbandry. The Kalbajar district has specialized in the fields of tobacco growing, potato growing, melon growing, vegetable growing, grain growing, and animal husbandry. The Lachin district has specialized in the fields of grain growing, tobacco growing, vegetable growing, melon growing, and animal husbandry (Fikratzade & Hajiyeva, 2020).

Taking into account the above, we can say that the development of traditional agriculture and animal husbandry sectors, as well as food processing enterprises, in Azerbaijan's post-conflict region, will create opportunities for improving the country's self-sufficiency level in food products and developing export-oriented production. Specialization has been carried out in the food industry in post-conflict regions based on the prospects for the development of the sector. Considering the fertile lands and development opportunities for agriculture, especially fruit and vegetable farming, grain growing and technical horticulture in the Kalbajar and Lachin regions, it is considered appropriate to establish enterprises for processing and packaging of crops such as wheat, bread, and pasta for local and regional markets, as well as flour mills and other value-added crop production facilities. It is also deemed feasible to establish factories for the production of fruit and vegetable preserves and syrups, honey production (bee milk and beeswax), and related processing facilities. Taking into account the fertile soil reserves and rich experience in grape growing, fruit and vegetable farming, and agriculture in the Agdam and Fizuli regions, it is possible to establish processing factories for the production of grape products, fruit and vegetable syrups and preserves, and meat processing facilities (Dadashov, 2021).

Considering the agricultural potential of the Jabrayil, Zangilan, and Qubadli regions, it is worth noting that the establishment of food processing enterprises for grape products (vinegar, wine, etc.), honey, and processed agricultural products such as crops, fruits, and vegetables is of great importance. Taking into account the development prospects of animal husbandry in the Karabakh and Eastern Zangazur regions, food enterprises can be established in all regions that produce and package dairy products such as cheese, yogurt, sour cream, and mayonnaise, as well as meat products such as sausages and canned meat. These products can be sold locally or exported to regional markets.

In general, it should be noted that decisions regarding the development of the food industry should take into account several important factors, such as the richness of the district's agricultural resources, the current demand and necessary infrastructure of the market, the presence of experience and technological capabilities in the field. Implementation of pricing policy on agricultural products plays a crucial role in achieving strategic goals such as stimulating of production activities of agricultural subjects that will be created in various directions in the post-conflict region of the Republic of Azerbaijan, balancing the interests of consumers and producers, effective regulation of the market and the formation of a long-term production-sales model. Therefore, it should be emphasized that the price of agricultural products produced by agricultural subjects established in the region will depend on a number of factors such as the product's features, the competitiveness of its production, the existence of government support policies, and the demand

of the market. In this region, the lack of full settlement of economic resources, especially the labor force, the lack of formation of the necessary infrastructure there, and the lack of completion of other works make it difficult to determine the price of agricultural products (Khudiyeva, 2022).

In modern times, in the post-conflict region, the formation of a stable agro-value chain creates obligations for the government of Azerbaijan to achieve a sustainable production process, optimize the use of resources, as well as to determine the optimal sales channels for the effective realization of agricultural products. This will ensure a high level of profitability in the activities of the agricultural subjects to be established in the region.

Thus, in order to ensure the effective realization of agricultural products, these are of particular important to consider the following factors:

- The specific characteristics and consumption attributes of the product - the type of agricultural product to be realized can play an important role in selecting the appropriate distribution channel. For example, to preserve the quality of fresh products, short supply chains and quick delivery times may be required, while processed or packaged goods can be realized through wider distribution channels due to their longer shelf life;
- Market coverage - when selecting a distribution channel, it is important to consider targeted market coverage. Some channels, such as direct-to-consumer or farmer's markets, can provide more personalized relationships with customers, while others, such as wholesalers or retailers, can reach a wider range of customers;
- The level of economic costs - factors such as logistics, storage, and marketing expenses can affect the overall value of distribution;
- Regulatory mechanisms - laws related to the safety and quality of food products can also affect the choice of distribution channels. For example, some channels may require additional certifications or compliance with specific safety standards;
- Level of relationships - existing relationships between agricultural producers and wholesalers, retailers, or other trade intermediaries can facilitate the creation of a successful distribution network (Ministry of Agriculture of the Republic of Azerbaijan).

By carefully evaluating these factors, agricultural producers can make informed decisions that will help them achieve their goals and succeed in the marketplace. The development of an effective logistics system will be crucial in completing the final stage of the agro-value chain and improving the financial situation of agricultural entities created in Karabakh and Eastern Zangazur. This includes the development of sales channels, which will be more economically viable for agricultural producers. The supply of agricultural products to domestic markets through specialized wholesale and retail traders will enable

producers to optimize production activity according to market demand in terms of both quantity and quality and reduce costs and losses. At the same time, in the post-conflict region, requires the implementation of functions such as providing agricultural products to both domestic and foreign markets through various sales channels, managing market risks, expanding market access opportunities, increasing the efficiency of sales operations, and providing market information to producers (Veliyev, 2021).

The implementation of marketing activities in the agriculture sector plays an important role in determining consumer needs and selecting optimal sales channels. The agromarketing mechanism allows for researching consumer demand in the market, which in turn affects the selection of optimal sales channels. For example, if the analysis of the market shows that the majority of consumers prefer to buy fresh fruits and vegetables from retail stores, farmers and producers can use this information to establish partnerships with stores and optimize the supply of their goods. On the other hand, if market analysis shows that most consumers prefer to buy fruits and vegetables on certain days of the week, then producers can organize the delivery of their products on those days to make the most efficient use of their resources (Savkin, 2019). In general, it should be noted that agricultural marketing plays an important role in determining effective sales channels for agricultural products. This involves understanding market demand, consumer preferences, and competition, as well as developing effective communication strategies to promote and differentiate agricultural products. By choosing the appropriate distribution channels, agricultural producers can reach their target markets and maximize profitability. Agricultural marketing is a continuous process that requires constant analysis and adaptation to changing market conditions. If implemented properly, it can help agricultural producers build customer loyalty and ultimately increase sales. Therefore, investing in agricultural marketing is essential for agribusiness entities that aim to achieve continuous economic development in today's competitive market (Motovits & Kulik, 2018).

In modern times, the formation and development of the agricultural sector in the economic regions of Karabakh and Eastern Zangazur will be the basis for the region's economic development. The formation of export-oriented production activities will contribute to the increase in the country's foreign currency reserves, the formation of employment opportunities in the region, and the development of other sectors. Export-oriented agricultural production will play an important role in increasing the prosperity of the population by providing farmers and entrepreneurs with access to foreign markets characterized by high profitability. The formation and development of export-oriented production in the region will provide opportunities for production to be organized in accordance with international food quality standards, increase agricultural productivity, and improve overall food

supply issues (Nasibov, 2022). Currently, several important measures have been taken by our country to stimulate the export of agricultural products. These include, in order to facilitate export operations, the creation of export agencies and trade associations, in order to expand of export markets, the strengthening of cooperative relations with a number of European and Asian countries, as well as international organizations, the formation of food safety and quality standards (rules), in order to increase the production potential of economic entities and product quality, the provisioning of financial and technical- technological support, and in general, the development of effective marketing strategies in various directions in order to ensure the competitiveness of Azerbaijani products in international markets. Azerbaijan's agricultural export policy aims to promote and develop the country's agricultural sector by expanding export markets and increasing the competitiveness of agricultural products. At the same time, it should be taken into account that the development of the export of agricultural products in the Karabakh and Eastern Zangezur economic regions in our country depends on a number of important conditions: the high level of material and technical equipment of the enterprise, the formation of an optimal marketing management structure, the presence of a favorable environment for competition in import markets and existence of economic and political stability, etc (Volkov & Pavlov, 2022).

To establish export-oriented production in Karabakh and Eastern Zangezur, the upcoming economic entities must apply an effective agricultural marketing mechanism aligned with the state's export policy. Marketing strategies, shaped by agricultural entities, rely on analyzing international consumer preferences, adjusting prices to the global market, and selecting effective sales channels. Examining foreign markets helps identify consumer needs and food trends, enabling tailored marketing strategies. Diversifying agricultural product production enhances appeal to foreign consumers through factors like product quality, production method certification, and sustainability practices.

In Karabakh and Eastern Zangezur economic regions, fostering sustainable export-oriented production is achievable through the agro marketing system, involving:

Market research

Essential for aligning production with regional consumer needs and focusing on high-export potential products.

Market access facilitation

Enhancing access by identifying new markets, negotiating trade agreements, and addressing trade barriers, including efficient distribution channels.

Export procedure regulation

Managing complex regulations associated with exporting agricultural products, ensuring compliance with international standards.

Agromarketing plays a pivotal role in increasing export-oriented production by aiding the entire agro-value chain in understanding market demand, optimizing sales and distribution channels, navigating export regulations, accessing new markets, and identifying optimal international transportation and logistics for post-conflict regions of Azerbaijan. (Kosheleva, 2016).

Conclusion

Ensuring sustainable development in Karabakh and Eastern Zangezur is a crucial responsibility for the Azerbaijani government. Restoring the agricultural sector in this region not only reduces unemployment but also ensures food security, boosts rural income, increases GDP, attracts foreign investment, and mitigates socio-demographic tensions. To secure the agricultural sector's sustainability post-conflict, the government must implement various macro-level mechanisms such as financial credit, tax and customs incentives, regulatory laws, improved material-technical equipment, market research, efficient production and management technologies, optimal resource utilization, and effective enterprise-level marketing strategies.

Ensuring stability in Karabakh and Eastern Zangezur's agricultural sector is closely tied to implementing the agromarketing system. As a crucial element for enhancing competitiveness and economic efficiency, agromarketing supports the sustainability of agribusiness entities in the region. By facilitating the movement of agricultural products from farm to consumer, agromarketing is essential for the sector's development and export-oriented production, boosting farmer productivity, agribusiness growth, and farmer income. The system provides farmers in the post-conflict region with access to markets, enabling informed decisions on crop selection, production timing, and adherence to quality standards. This, in turn, contributes to the overall development of agribusiness and the Azerbaijani economy. Investing in agro-marketing is vital for policymakers and stakeholders, as it promotes the agricultural sector and export-oriented product development, fostering foreign exchange earnings, job creation, and increased rural income.

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