

FOREIGN TRADE ASPECTS OF RUSSIAN ENTERPRISES FUNCTIONING IN THE WATCH MARKET

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The article examines perspective vectors for improving the global watch market. It identifies strategic aspects of foreign trade activities in the watch market (geography of foreign trade activities, financial results, marketing priorities). The article provides recommendations for improving the efficiency of Russian enterprises foreign trade activities in the global watch market, including Slava Watch Company LLC, Petrodvortsovy Watch Factory Raketa LLC, Chistopol Watch Factory Vostok LLC, and Molniya Watch Factory PJSC.

Keywords: foreign trade activities, global market, watch market, demand, consumers, marketing, net profit.

In contemporary environment, the analysis of foreign trade activities of enterprises operating in the global watch market has become particularly important and relevant. The global watch market encompasses a wide range of products whose primary function is to measure time or perform time-related operations. This category includes both wearable watches and other types of watches, as well as time-recording devices, time interval meters, and timers. These products can be made from various materials, including precious metals, and may be adorned with pearls, precious stones, and semi-precious stones. The specifics of the functioning of the global watch market were analyzed by the following researchers: Ankudinova, Yu.A. [1, pp. 62-64], Deshchenko, A.Yu. [2, pp. 70-82], Drobnitsa, I.K. [3, pp. 70-82], Indinok, D.A. [4, pp. 96-114],

Poltoratsky, M.S. [5, pp. 51], Semenov A.A. [6, pp. 504-508; 7, pp. 293-297], Tindova M.G. [8, pp. 60-64], Yashin V.N. [9, pp. 86-89] and others. The economic literature does not provide a comprehensive analysis of the foreign trade activities of enterprises in the watch market, which makes further research in this area relevant.

The aim of this work is to study the foreign trade aspect of Russian enterprises functioning in the watch market. To achieve this aim, the following tasks must be solved: to systematize the promising areas for improving international trade in the watch market; to identify the strategic aspects of foreign trade activities of enterprises in the watch market in the context of market changes; and to provide recommendations for improving the efficiency of foreign trade activities of Russian enterprises in the global watch market.

As for Russian business entities engaged in the production of wristwatches, the following enterprises should be listed: Slava Watch Company LLC («Slava», «Derzhava», «KGB»), Chistopol Watch Factory LLC «Vostok» («Vostok»), Petrodvortsov Watch Factory LLC Raketa («Raketa», «Pobeda», «Vostok»), as well as Molniya Watch Factory PJSC («Molniya»), etc. In the context of multipolar economic development, promising areas for improving international trade in the global watch market include the components presented in Table 1.

Table 1.

PERSPECTIVE AREAS FOR IMPROVING INTERNATIONAL TRADE IN THE WATCH MARKET

Vectors	Perspective areas
Foreign trade volumes	Maintaining positive dynamics in international watch trade on the global market by further increasing global export volumes and global trade turnover, and reducing global import volumes of watches
	Ensuring an increase in global exports and global trade turnover by taking into account the basic forecast scenarios for growth indicators when planning the financial results of economic entities
The effectiveness of foreign trade	Overcoming the negative dynamics of annual trade balance values by stabilizing the growth dynamics of global exports
	Smoothing out structural imbalances in foreign trade by increasing the export volumes of enterprises

The structure of foreign trade	Optimization of the geographical structure of international trade in the global watch market through increasing exports from Switzerland, France, Singapore, Germany, the UAE, the United Kingdom, Thailand, the Netherlands, Spain, Malaysia, Ireland, Saudi Arabia, and the Philippines; and reducing imports of watches from China, Macau (China), South Korea, the Netherlands, Thailand, Australia, and Canada
	Maintaining an optimal commodity structure of international trade in the global watch market through the implementation of foreign trade activities by economic entities in the following nomenclature items: quartz analog watches, quartz digital watches, and mechanical watches; and a steady interest in the production of smartwatches (smart clocks)
Consumer preferences	Improving the quality of watches and watch mechanisms by maintaining a high level of competition in the global market, the desire of global manufacturers to preserve the true values and traditions of watchmaking, and the high level of professionalism and skill of watchmakers at the forefront of initiatives by Swiss organizations and institutions, including the Foundation for High Watchmaking Art.
	Maintaining the influence of fashion trends, manufacturer reputation, and product price on consumer choice of watches through brand positioning, the use of famous personalities in product promotion, product placement, participation in and support for various events such as exhibitions, shows, sports competitions, publications in specialized media, and a unique approach to store design and location

The implementation of perspective areas for improving international trade in the global watch market is related to the general trends of the main market indicators in the context of market conditions.

The strategic aspects of enterprises foreign trade activities in the global watch market include the components presented in Table 2. It is advisable to clarify that the implementation of the complex of these promising areas for improving the foreign trade activities of enterprises in the global watch market is of a recommendatory nature in the context of the heterogeneity and asymmetry of the macroeconomic development of countries, global geopolitical instability, and global multipolarity.

Improving the functioning of economic entities in the Russian Federation in the global watch market involves systematizing recommendations for improving the efficiency of Russian enterprises foreign trade activities, which include the components presented in Table 3. Recommendations for implementing ways to improve the efficiency of foreign trade activities of Russian enterprises in the global watch market are related to the general trends of the main indicators of the studied market in the context

of market conditions. It should be noted that the implementation of ways to improve the efficiency of foreign trade activities of Russian enterprises in the global watch market is a recommendation in the context of the heterogeneity and asymmetry of macro-economic development in countries, global geopolitical instability, and global multipolarity.

The watch market of the Russian Federation is determined by sanctions in the current conditions. The EU has introduced another package of sanctions that prohibits the supply of luxury goods, including watches, to the Russian Federation. It is forbidden to sell, supply, transfer, or export luxury goods worth more than 300 euros to any individual or legal entity, organization, or authority in the Russian Federation or for use in the Russian Federation, directly or indirectly. The sanctions have limited the middle segment of the watch market for the Russian Federation. There are 3-5 Russian companies involved in this business, as well as several dozen private buyers. The disappearance of these products does not directly affect the business of other participants in the watch market.

Table 2 .

STRATEGIC ASPECTS OF ENTERPRISES FOREIGN TRADE ACTIVITIES IN THE WATCH MARKET IN THE CONTEXT OF MARKET CHANGES

Vectors	Strategic aspects
Geography of foreign trade activities	Optimization of the geographical structure of foreign trade of enterprises in the global watch market by increasing the share of economic entities in Switzerland, France, Singapore, the UAE, and the United Kingdom in the export structure of foreign trade of enterprises in the studied market, and reducing the share of economic entities in China and the United Kingdom in the import structure of foreign trade of enterprises in the global watch market
Financial results	Achieving an effective level of foreign trade activity of enterprises in the global watch market by overcoming the dynamics of fluctuations in the annual growth rate of the indicator, smoothing out the negative dynamics of the efficiency of foreign trade activity of enterprises in the long term, stabilizing the trend of the studied indicator, and taking into account the basic forecast scenarios for increasing the efficiency of foreign trade activity of enterprises in long-term planning of financial results of economic activity

Vectors	Strategic aspects
	Maintaining the long-term positive dynamics of Seiko Group's net profit values (Japan); smoothing out the negative dynamics of Swatch Group's (Switzerland) and Fossil Group's (USA) financial results by adapting a set of measures to optimize the geography and commodity structure of the companies' foreign trade activities in the global watch market, taking into account the basic forecast scenarios for the growth of net profit values when planning business activities and key financial results
The dominants of marketing	Consideration of the case material, the limited edition of the series, the presence of a tourbillon function, the bracelet material, the presence of distinctive features, and the skeleton function as the most influential factors on the cost of watches through foreign trade activities in accordance with the global ranking of the best-selling watches: Casio Collection Vintage Iconic F-91W-1Q, Orient Automatic, DKNY Soho Bracelet Watch, Timberland Henniker II, Fossil Sport Cuff Chronograph Leather Watch – Black, Calvin Klein Minimal, Swiss Military Hanowa Patriot Chrono, Diesel Mega Chief
	Men's choice of watch models with mechanical movements, increased water resistance, and additional features such as a calendar, lunar calendar, tourbillon, skeleton, and tachymeter, based on the global ranking of the most popular men's watches: Casio, Tissot, Guess, Diesel, Orient, Citizen, Swatch, and Fossil
	Women's choice of watch models with quartz movements, the presence of precious stones in the design, various color solutions, as well as the preservation of the bracelet material's dependence on the material used for the case and the color of the watch face, through the adaptation of foreign trade activities in accordance with the global ranking of the best-selling women's watches: Jaeger-LeCoultre (Switzerland), Cartier (Switzerland), Glashütte Original (Germany), Moritz Grossmann (Germany), Grand Seiko (Japan), Dolce & Gabbana (Italy)
	The need for coordinated foreign trade activities by all watch companies and related economic and other structures, as well as the creation of a set of instructions that ensure the long-term survival and successful development of the watch industry; the importance of educational work among the population of developing countries by introducing them to the values of high-quality watchmaking through specific examples, which helps to increase their willingness to accept these values and improve the efficiency of foreign trade activities in the market under study, as watches gradually lose their original function as a time-measuring device and transform into multifunctional mechanisms.

Table 3.

**RECOMMENDATIONS FOR IMPROVING THE EFFICIENCY OF RUSSIAN
ENTERPRISES FOREIGN TRADE ACTIVITIES IN
THE GLOBAL WATCH MARKET**

Aspects	Recommendations
Foreign trade volumes	Maintaining positive dynamics in the foreign trade of Russian Federation watches on the global market by increasing the volume of Russian exports and foreign trade turnover, and reducing the volume of imports of watches

The effective-ness of for- eign trade	Overcoming the import dependence of Russia's foreign trade in watches on the global market by stabilizing the dynamics of annual foreign trade balances
The structure of foreign trade	Smoothing out structural imbalances in foreign trade by increasing the export volumes of enterprises
	Optimization of the geographical structure of Russian enterprises' foreign trade in the global watch market by increasing exports to Kazakhstan, Belarus, Armenia, and Bangladesh; reducing Russian imports of watches from Switzerland, China, Thailand, and Belarus
	Optimizing the commodity structure of Russian enterprises' foreign trade in the global watch market by increasing the volume of exports of wristwatches, pocketwatches, watches made of precious metal, watches that are not intended for wear, and reducing the volume of Russian imports of wristwatches, pocketwatches, watches made of precious metal, watches that are not intended for wear, and watch straps, ribbons, and bracelets
Financial results	Achieving an effective level of foreign trade activity for Russian enterprises in the global watch market by overcoming fluctuations in annual growth rates and maintaining positive dynamics in the long term
	Maintaining long-term positive dynamics of net profit values for Slava Watch Company LLC, Petrodvortsovy Watch Factory Raketa LLC; smoothing out the negative dynamics of financial results for Chistopol Watch Factory Vostok LLC, Chelyabinsk Watch Factory Molniya PJSC, through the adaptation of a set of measures to modernize watch production, increase investment volumes, including in R&D, optimize the geography and commodity structure of foreign trade activities of enterprises in the global watch market, take into account basic forecast scenarios for growth indicators when planning business activities, position brands, and meet consumer preferences

Swiss watchmakers are gradually abandoning gold and diamonds from the Russian Federation, which could lead to an even greater increase in the cost of their products in the future [7, pp. 293-297].

Based on the results of the study, the goal has been achieved and the objectives have been met. Summarizing the findings of the study on the the foreign trade aspect of Russian enterprises functioning in the watch market, it is reasonable to conclude the following:

1. In the context of multipolar economic development, the perspective areas for improving international trade in the global watch market include the following components: maintaining the positive dynamics of international trade in watches in the global market by further increasing global exports and global trade turnover, and reducing global imports of watches; ensuring growth in global exports and global trade turnover

by taking into account the basic forecast scenarios for growth in financial results of economic entities; overcoming the negative dynamics of annual trade balance values by stabilizing the dynamics of global export growth; smoothing out the structural imbalance in foreign trade activities by increasing the export volumes of enterprises; optimizing the geographical structure of international trade in the global watch market by increasing the export volumes of Switzerland, France, Singapore, Germany, the UAE, the United Kingdom, Thailand, the Netherlands, Spain, Malaysia, Ireland, Saudi Arabia, and the Philippines; reducing the import volumes of watches from China, Macau (China), South Korea, Australia, and Canada; and maintaining a steady interest in the production of smartwatches; improving the quality of watches and watch mechanisms by maintaining a high level of competition in the global market, the desire of global manufacturers to preserve the true values and traditions of watchmaking, and the high level of professionalism and skill of watchmakers at the forefront of initiatives by Swiss organizations and institutions, including the Foundation for High Watchmaking Art; maintaining the influence of fashion trends, the manufacturer's reputation, and the product's price on consumer choices through brand positioning, the use of famous personalities in product promotion, product placement, participation in and support for various events such as exhibitions, fashion shows, sports competitions, and publications in specialized media, as well as a unique approach to store design and layout.

2. The strategic vectors of enterprises foreign trade activities in the watch market include the following components: optimization of the geographical structure of foreign trade of enterprises in the global watch market by increasing the share of business entities of Switzerland, France, Singapore, the United Arab Emirates and the United Kingdom in the export structure of foreign trade activities of enterprises in the market under study, reducing the share of business entities of China and the United Kingdom in the import structure of foreign trade activities enterprises in the global watch market; achieving an effective level of foreign trade activity of enterprises in the global watch market by overcoming the dynamics of fluctuations in the annual growth rate of the

indicator, smoothing the negative dynamics of the effectiveness of foreign trade activities of enterprises in the long term, stabilizing the trend of the indicator under study; maintaining the long-term positive dynamics of Seiko Group's net profit values (Japan); smoothing out the negative dynamics of Swatch Group's (Switzerland) and Fossil Group's (USA) financial results by adapting a set of measures to optimize the geography and commodity structure of the companies' foreign trade activities in the global watch market, taking into account marketing priorities when planning business activities and key financial results [2, p. 86; 6, pp. 504-508].

3. The recommendations for improving the efficiency of Russian enterprises' foreign trade activities in the global watch market include the following components: maintaining the positive dynamics of the Russian Federation's foreign trade in watches in the global market by increasing the volume of Russian exports and foreign trade turnover and reducing the volume of imports of watches; overcoming the import dependence of Russian foreign trade in watches in the global market by stabilizing the dynamics of annual foreign trade balances; and smoothing out the structural imbalance in foreign trade activities by increasing the volume of enterprises' exports; optimization of the geographical structure of foreign trade of Russian enterprises in the global watch market by increasing exports to Kazakhstan, Belarus, Armenia, Bangladesh; reduction of Russian imports of watches from Switzerland, China, Thailand, Belarus; optimization of the commodity structure of foreign trade of Russian enterprises in the global watch market by increasing exports of watches made of precious metal; watches not intended to be carried with you; reducing the volume of Russian imports of wrist and pocket watches; watches made of precious metal; watches not intended to be carried with you; straps, ribbons, bracelets for watches; achieving an effective level of foreign trade activity of Russian enterprises in the global watch market by overcoming the dynamics of fluctuations in the annual growth rate of the indicator and maintaining positive dynamics in the long term; maintaining the long-term positive dynamics of net profit values of LLC Slava Watch Company, LLC Petrodvorets Watch Factory Raketa; smoothing the negative dynamics of financial results of LLC Chistopol Watch Factory

Vostok, PJSC Chelyabinsk Watch Factory Molniya through the adaptation of a set of measures to modernize watch production, increase investment, including in R&D, optimize the geography and commodity structure of foreign trade activities of enterprises in the global watch market, taking into account the basic forecast scenarios for growth in economic planning, brand positioning and compliance with consumer preferences.

The impact of sanctions on the functioning of the watch market remains an important scientific issue and can be considered as a task for further research in this field.

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ВНЕШНЕТОРГОВЫЙ АСПЕКТ ФУНКЦИОНИРОВАНИЯ РОССИЙСКИХ ПРЕДПРИЯТИЙ НА РЫНКЕ ЧАСОВ

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В статье исследован внешнеторговый аспект функционирования предприятий Российской Федерации на рынке часов. Определены перспективные векторы совершенствования мирового рынка часов, стратегические аспекты внешней торговли на рассматриваемом рынке (география внешнеторговой деятельности, финансовые результаты, доминанты маркетинга). Обоснованы компоненты повышения эффективности реализации внешнеторгового аспекта функционирования российских предприятий на рынке часов, в т. ч. ООО Часовая компания «Слава», ООО Петродворцовый часовой завод «Ракета», ООО Чистопольский часовой завод «Восток», ПАО Челябинский часовой завод «Молния».

Ключевые слова: внешнеторговая деятельность, мировой рынок, рынок часов, спрос, потребители, маркетинг, чистая прибыль.