

POTENTIAL BENEFITS OF E-COMMERCE ON ECONOMY AND INFRASTRUCTURAL DEVELOPMENT.

Sodikova Dilafruz Zokhid qizi
Master in International Economics and Management

Abstract. *E-commerce involves significant changes in "traditional" forms of business. Information and Internet technologies form a new internal business culture, the ability to quickly adapt the business model and strategy to changing business conditions and new opportunities are the main factors of enterprise success in the rapidly changing Internet economy. In the conditions of the globalization of the market economy, it is necessary to bring innovative goods and services to the domestic and world e-commerce markets.*

Key words: *availability of staff, broadened knowledge, level of responsibility, product delivery, e-procurement, knowledge-tone, evolution of e-commerce.*

Annotatsiya. *Elektron tijorat biznesning "an'anaviy" shakllarida sezilarli o'zgarishlarni yangilik sifatida taqdim etdi. Axborot va Internet texnologiyalari yangi ichki biznes madaniyatini shakllantiradi, biznes modeli va strategiyasini o'zgaruvchan biznes sharoitlariga va yangi imkoniyatlarga tezda moslash qobiliyati tez o'zgaruvchan Internet iqtisodiyotida korxonalar muvaffaqiyatining asosiy omillari hisoblanadi. Bozor iqtisodiyotining globallashtiruvchi sharoitida innovatsion tovar va xizmatlarni ichki va jahon elektron tijorat bozorlariga olib chiqish zarur.*

Kalit so'zlar: *xodimlarning mavjudligi, kengaytirilgan bilim, mas'uliyat darajasi, mahsulotni yetkazib berish, elektron xaridlar, bilim ohangi, elektron tijorat evolyutsiyasi.*

Аннотация. *Электронная коммерция предполагает значительные изменения в "традиционных" формах ведения бизнеса. Информационные и Интернет-технологии формируют новую внутреннюю бизнес-культуру, способность быстро адаптировать бизнес-модель и стратегию к изменяющимся условиям бизнеса и новым возможностям являются основными факторами успеха предприятия в быстро меняющейся Интернет-экономике. В условиях глобализации рыночной экономики необходимо выводить на отечественный и мировой рынки электронной коммерции инновационные товары и услуги.*

Ключевые слова: *наличие персонала, расширенные знания, уровень ответственности, поставка продукции, электронные закупки, тон знаний, эволюция электронной коммерции*

Introduction. The growth of online shopping is boosting the new economy and fostering innovation among retailers, motivating them to pinpoint what makes their goods distinctive and provide engaging experiences that draw customers in. Social networking, technical advancements, and customer demands for convenience are what are driving this trend. We live in a busy society, and the increase of internet purchasing is fundamentally driven by convenience. The trend is being driven by several different factors.

Literature review. Nowadays, the following world scientists are those whose works aimed at solving the problems of e-commerce activity in the general economy, including utilization of e-commerce in the growth of economy: R. Boateng, R. Heeks, A. Molla, R. Hinson, R.D. Anvari, D. Norouzi, V. Couture, B. Faber, Y. Gu, L. Liu, D.B. Audretsch, P.J. Welfens, G. Myovella, M. Karacuka, J. Haucap, Y. Bilan, H. Mishchuk, N. Samoliuk, O. Grishnova and Russian researchers: L.P. Gavrilov, Ismagilov, I.I., Kostromin, A.V. and Khasanova, S.F., Zakharov, A.N. and Starovaya, Yu.A., Rubtsova, N.V. and Solodukhin, K.S. and others. Issues related to the financing of e-commerce and digital economy activities in Uzbekistan are discussed in the works of Avazov, N. and Makhmudov and others.

Research and methodology. The research work is based on quantitative method which include: descriptive, comparative and statistical methods.

Analysis and results.

E-commerce is typically portrayed in extremely favorable terms, however there are also possible drawbacks for developing nations. The rate of e-commerce adoption varies substantially from nation to nation in developing nations. However, numerous others encounter comparable barriers to e-commerce. These primarily include a lack of a physical, financial, and legal infrastructure enabling the growth of e-commerce. The growth of various forms of e-commerce is largely influenced by the structure of the industrial sector already in place and by how that sector fits into a particular sectoral value chain. The applicability and transferability of the e-commerce models developed by some affluent countries has also been observed to be constrained by the differences in cultures and business philosophies among developing countries.

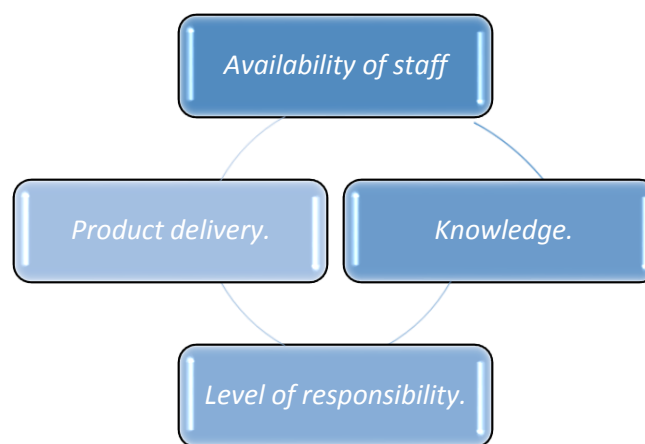


Figure 1.1 The main factors affecting the choice of e-commerce development companies.¹

Some of the points to check before deciding on e-commerce development firms are: (Figure 1.1)

Availability of staff. The company should be highly qualified, experienced and professional. In order to properly manage your project, the number of staff available with them must be clearly defined. Your company should have more than one account manager assigned to handle your inquiries and issues.

Broadened knowledge. Be it general web development or e-commerce web development, the team responsible for designing and developing a website or portal needs networking, latest technologies, programming, software development to create a user-friendly website.

Level of responsibility. In addition to having healthy and skilled workers, the company must have the ability to take responsibility for the client, taking into account the client's requirements. That is why it is important to check its reliability by previous customers.

Product delivery. In order to maintain a long relationship with their customers and keep them happy all the time, it is necessary to deliver the products correctly and on time. Therefore, it is necessary to check the company's accuracy and timeliness.²

The world has fewer barriers than its people have ever seen before. There is no place that seem scary and out of the way to the cameras of international news agencies. People routinely converse online from locations the world over. A business trip to an overseas destination is not unheard of. The truth is this has become

¹ Никитюк Л. Г., Тимчук О. Г. Роль электронной коммерции в развитии инновационной экономики // Вестник НГУЭУ. – 2018. – №. 3.

² Петенева А. А. Роль электронной торговли в развитии бизнеса // Синергия наук. – 2016. – №. 6. – С. 86-91.

common in many quarters. With the explosion of online business there has been a further fracturing of the idea that there are pronounced borders. A craftsman in Idaho can sell merchandise to an importer in Hong Kong. A clock maker in Holland can sell a handmade timepiece to a client in Mexico. Most online checkouts provide the ability to manage financial exchange rates so there is little delay in completing an order and submitting the funds. Suddenly there are very few locations in the world where ecommerce cannot take place. Imagine a gentleman in Jamaica who has made handcrafted items for tourists for years. He can now take those one of a kind items and sell them online. He can provide jobs for some of his family and friends to help fulfill orders and assemble the materials he needs to complete his art. Business was once thought of in terms of taking the physical business to individuals. This has largely meant developing a physical structure that houses actual merchandise that can be purchased using real sales associates. Online sales have made this idea one that deserves a second look. Today you can take your retail business idea anywhere in the world (Table 1.2).

Table 1.2

Examples of e-business Services³

E-Business	Activities	Examples
Customer Relationship Management (CRM)	integrated processes to manage customer lifecycle and build relationships	-Electronic address book for customer contact details -Responding to customer emails within 24 hours -Database of customer orders and preferences
Selling-Chain Management	transform sales into interactive orders including pricing, quoting and service	-Website with catalogue of products including updated price lists for sales staff and customers -Online email quote or service request
Enterprise Resource Planning (ERP)	integrated accounting & finance, production planning, human resources, sales & distribution systems	-Accounting system such as Quick Books -Database that tracks resources for projects -Simple monitoring system for sales tracking
Supply Chain Management (SCM)	inter-enterprise coordination of material, information and financial flows across all participating enterprises	-Email orders to suppliers -Automatic transfer of payment via bankaccounts -Website with reports and information
E-procurement	improved purchasing for efficiency, reducing corruption and cost control	-Emailing an order direct to a supplier -Track invoices through accounting packages
Knowledge-tone	decision support, data management, information retrieval and reporting in response to market and customer needs	-Gather customer satisfaction information and use it to develop a new marketing strategy -Review orders and develop a new inventory list

The essential in the new economy is a structural shift from the industrial economy toward an economy characterized by information, intangibles and services and a parallel change toward new work organizations and institutional forms. Many

³ Burbeck, S. (2000). The Tao of e-business services. *IBM Corporation*, 4.

new terms have been coined for this new economy such as “knowledge-based economy,” “borderless economy,” “weightless economy,” “networked economy,” “digital economy,” “the information-based economy,” and “the networked economy” to name a few (Woodall, 2000).⁴

A digital economy is a convergence of communications, computing, and information. The new economy is basically about coordination, innovation, selection and learning (Gardin, 2002).⁵

Another crucial work to do in providing e-business laws is that they need to ensure a harmonious framework within the existing national legal system and in accordance with current international initiatives and expectation, given the borderless nature of the e-business (The United Nations, 2004). Thus, the e-business legal framework should not undermine the existing legal and regulatory framework on commercial activities such as existing laws on contracts, sales of goods, banking, and property as well as consumer protection. Unless this principle is given sufficient care, we would only end up having clashing laws and therefore obsolete and inapplicable.⁶

In the 1980s, efforts were made to standardize digital information exchange with the help of electronic commerce. Businesses have started reaching out to potential customers by providing online marketing information and product catalogs. In the mid-1990s, the www (World Wide Web) evolved from an information resource to a platform with special capabilities for e-commerce sites, which required a secure and interactive environment and transformed e-commerce activities from a single buyer-seller connection to multiple exchanges. Overview of Research on E-Commerce Websites During this period, as the Internet was used for online commerce, many views were offered on how to conduct business. The success factors of websites were studied and tools were developed to measure the factors influencing the success. The trend of developing the most suitable business model for providing services to online customers has been studied. E-commerce technology has succeeded in bringing business partners together and leveraged the Internet. As e-commerce began to attract more online customers, new technologies such as XML for agent-based e-commerce and web service security began to be adopted.⁷

⁴ Woodall, W. H. (2000). Controversies and contradictions in statistical process control. *Journal of quality technology*, 32(4), 341-350.

⁵ Gardin, O. (2002, August). The New Economy New challenges for the statistical system. In *The International Association for Official Statisticians Conference*.

⁶ Joseph, G. T. (2004). Electronic Commerce and the United Nations Model Double Taxation Convention. *Intertax*, 32, 387.

⁷ Chaudhuri, P., & Kumar, A. (2015). Role of digitization and e-commerce in indian economic growth: an employment generation perspective. *Research Gate*. December.

There is also a growing need for e-business technologies that enable the use of applications between collaboration partners. In the virtual environment of the Internet, research has been conducted in new areas such as trust building, reputation management, and secret sharing. Empirical studies of factors affecting the use of Internet sites were conducted. They looked at trust, pricing strategy and purchasing patterns and highlighted how customer decision support systems are essential to online decision making. However, it should be noted that the discussion of the evolutionary development of websites in the current literature is not very broad. That's why we tried to create a framework for analyzing and charting the evolution of websites. (Figure 1.3)⁸

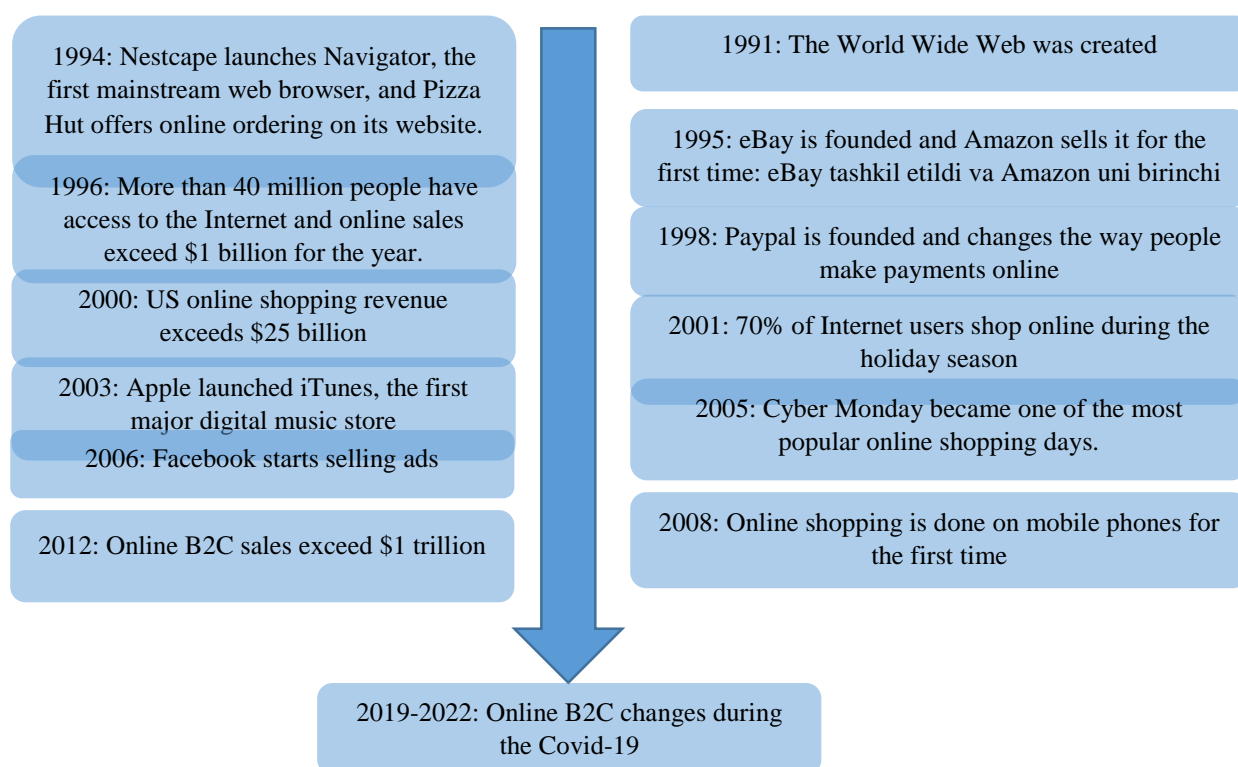


Figure 1.3 The evolution of e-commerce websites⁹

Covid-19 will dramatically change global trends related to the coronavirus. Every business has undergone rapid changes. It has changed human behavior, the nature of commerce, business and even lifestyle. This global trend spreads fear among people when communicating with others. E-commerce and the COVID-19 coronavirus are affecting e-commerce around the world. According to research, 52% of consumers avoid brick-and-mortar shopping and crowded places. The impact of the coronavirus on different types of products is different, with the impact of

⁸ Karpunina, E. K., Isaeva, E. A., Galieva, G. F., Sobolevskaya, T. G., & Rodin, A. Y. (2021). E-commerce as a driver of economic growth in Russia. In *Institute of Scientific Communications Conference* (pp. 1622-1633). Springer, Cham.

⁹ Yang, L., Xu, M., & Xing, L. (2022). Exploring the core factors of online purchase decisions by building an E-Commerce network evolution model. *Journal of Retailing and Consumer Services*, 64, 102784

COVID-19 on some products being very high and some products being less affected. Due to this virus, the total sales of e-commerce will increase, people will avoid going out, maintain social distance and shop from home, more than 74% of the total sales volume of the food e-commerce chain “Walmart” will be accounted for by online shopping. In addition, the use of social media increased during this time, and Facebook, Google updated their features to connect more people at once, for example, Facebook offers a messenger for 44 people, which competes with Zoom. Similarly, Google has also launched an updated version (Figure 1.2.2).¹⁰

In conclusion, in recent years, the significant growth of information technologies and the development of the global Internet has led to the emergence of new directions in various areas of human life. E-commerce Nowadays, the Internet has entered society's daily life at a high speed and is becoming an integral part of it.

Conclusion.

Finally, the paper evaluates the potentials benefits of e-business on economy and infrastructural development based on benefits analogy. The aim of this paper is to emphasize the balanced growth of each vital component to achieve successful deployment of e-commerce in developing countries.

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