
The Concept of Electronic Commerce and The Importance of Developing this Field in Uzbekistan

Nozimov Eldor Anvarovich

Samarkand Institute of Economics and Service

Assistant at the Department of Investments and Innovations

Annotation. Everyone living in the age of technology has used online or remote store services at least once in order to satisfy their needs as little as possible and to save time and excessive expenses. This complex of small service types forms a new economic field called e-commerce. E-commerce is the buying and selling of goods or services electronically on the Internet. It can also apply to other online activities such as auctions, tickets and banking services. In this article, we will discuss the different types of e-commerce, its advantages, why e-commerce is important and how necessary this new type of business is for Uzbekistan. In this article, we will discuss the different types of e-commerce, its advantages and disadvantages and why e-commerce is important.

Key words. e-commerce, internet, platforms, web server.

Introduction

After the rise of individual users sharing electronic documents with each other in the 1980s, the rise of eBay and Amazon in the 1990s revolutionized the e-commerce industry. Consumers can now buy many products online only from e-commerce sellers, also known as e-retailers and stores that have e-commerce capabilities. Almost all retail companies are now integrating online business practices into their business models.

E-commerce is the buying and selling of goods and services or the transfer of funds or data over an electronic network, primarily the Internet. These business transactions are conducted as business-to-business (B2B), business-to-consumer (B2C), consumer-to-consumer, or consumer-to-business.

Over the past two decades, the widespread use of e-commerce platforms such as Amazon and eBay has contributed to the significant growth of online retailing. According to the US Census Bureau, in 2011, e-commerce accounted for 5% of total retail sales. By 2020, with the onset of the COVID-19 pandemic, it had risen to more than 16% of retail sales.

E-commerce is powered by the internet. Customers access an online store to browse and order products or services through their devices. When an order is placed, the customer's web browser communicates back and forth with the server hosting the e-commerce website. Information about the order is transmitted to a central computer known as the order manager. It is then routed to databases that manage inventory levels; A merchant system that manages payment information using applications such as PayPal; and bank computer. Finally, it returns to the order manager. This is to make sure there is enough store inventory and customer funds to process the order.

After the order is confirmed, the order manager will notify the store's web server. It informs the customer that the order has been successfully completed. The order manager then sends the order information to the warehouse or fulfillment department and indicates that the product or service can be shipped to the customer. At this time, physical or digital products may be sent to the customer or access to the service may be granted.



There are 6 types of e-commerce

Business-to-business (B2B) e-commerce refers to the electronic exchange of products, services, or information between businesses rather than between businesses and consumers. For example, online directories and product and supply exchange websites that allow businesses to search for products, services and information and initiate transactions through electronic shopping interfaces. According to a Forrester report published in 2018, B2B e-commerce will reach \$1.8 trillion by 2023 and account for 17% of US B2B sales.

Business-to-consumer (B2C) is the retail segment of e-commerce on the Internet. This occurs when businesses sell products, services, or information directly to consumers. The term became popular in the late 1990s, when online retailers and selling goods were a novelty. Today, on the Internet there are countless virtual stores and shopping centers that sell all kinds of consumer goods. Amazon is the best known example of these sites.

Consumer-to-consumer (C2C) is a type of e-commerce in which consumers trade products, services, and information with each other online. These transactions are usually conducted through a third party that provides the online platform through which the transactions are made.

Consumer-to-business (C2B) is a type of e-commerce in which consumers present their products and services online for companies to offer and buy. This is the opposite of the traditional B2C sales model. A popular example of a C2B platform is a marketplace that sells photos, images, media and design elements like iStock.

Business-to-government (B2A) refers to online transactions between companies and government or government agencies.

Many branches of government depend on various types of electronic services or products. These products and services are often related to legal documents, registers, social insurance, fiscal

information and employment. Businesses can submit them electronically. B2A services have grown significantly in recent years due to investments in e-government capabilities.

Consumer-to-government (C2A) refers to online transactions between consumers and government or government agencies. Governments rarely purchase goods or services from individuals, but individuals often use electronic means in the following areas:

- Social Security. Distribution of information and making payments.
- Taxes. Submitting tax returns and making payments.
- Health care. Scheduling appointments, providing information on test results and health status, and making payments for health care services.

The advantages of e-commerce include its 24/7 availability, speed of access, wide availability of goods and services, easy access and international connections.

✓ Convenience. Except for outages and scheduled maintenance, e-commerce sites operate 24/7, allowing visitors to browse and shop at any time.

✓ Easy access. Customers shopping in a physical store may have difficulty finding a particular product. Website visitors can browse product category pages in real-time and use the site's search function to find products instantly.

✓ Less cost. Fully e-commerce businesses avoid the costs of running physical stores, such as rent, inventory, and cashiers. However, they will cover shipping and warehousing costs.

✓ Personalization and product recommendations. E-commerce sites can track visitors' browsing, searching and purchase history. They may use this information to provide personalized product recommendations and learn about target markets.

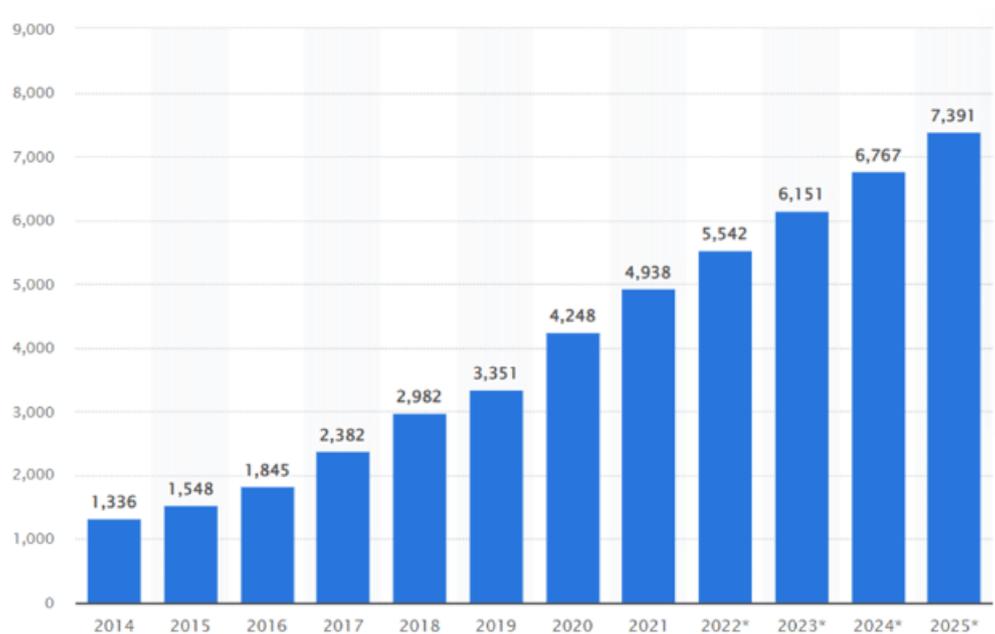
The scope of electronic commerce is determined not by geographic or national boundaries, but by the spread of computer networks. Since the most important networks are global, e-commerce allows even the smallest enterprises to have a global presence and do business.

In Uzbekistan, the field of e-commerce is at its stage of development. Today, the volume of e-commerce is about one percent of the country's GDP. In order to further develop e-commerce, it is necessary to identify the factors affecting it, to research the appearance of connections between them, and to make forecasts for future periods on this basis.

They include the number of Internet users, the value of Internet service tariffs, the number of online stores, e-commerce transactions, the volume of e-commerce transactions, total transactions made through POS terminals, the number of plastic cards, the volume of transactions with plastic cards, the number of ATMs and information kiosks and a number of other factors can be cited. The rapid development of information technologies is also reflected in the economy. Today, the basis of the achievements in the economy, especially in the field of entrepreneurship, lies in the highly developed and effective use of various segments of information technologies. The economy of Uzbekistan is certainly not an exception. As a clear example, a number of segments of information technologies, such as data transmission networks, Internet information resources and electronic document exchange between them, business and commerce are developing steadily. For Uzbekistan, the development of information technologies is of great importance in ensuring new economic relations. But this process takes place only when there is a certain level of informational readiness of the society, which arises as a result of the increase of educational standards in the field of information technologies, the modernization of national telecommunication networks, and the formation of the legal framework.

As a result of the gradual development of the economy of Uzbekistan, the importance of new principles of conducting business activities, especially electronic commerce, has greatly

increased. To date, every Internet user has tried to understand the meaning of the word e-commerce. On average, 1.5-2 trillion per year in the US markets related to such activity, which has not yet had time to build its long history. Funds are transferred in the amount of US dollars.



Global e-commerce volume (billion USD)

To date, state bodies in Uzbekistan follow the following principles, which are widely used in the world experience, in the development of electronic commerce.

- The corporate sector should play an active role in the development of electronic commerce;
- It should not be allowed to impose various unjustified restrictions on electronic commerce by state bodies;
- State authorities can intervene in the electronic commercial process in order to support the subjects of this industry and improve the legal base;
- When developing e-commerce management measures, the government should take into account the peculiarities of the Internet;
- The process of electronic commerce should take place on a global scale, regardless of administrative-territorial division and state borders.

The development of electronic commerce has a positive effect on the structure of the Uzbek labor market. The industrialization of high information technologies will create thousands of new jobs. The stabilization of the economy of Uzbekistan, the increase in the competitiveness of goods and services, and the development of electronic commerce will lead to an increase in our export opportunities. Electronic commerce ensures the improvement of the standard of living of the population, the development of fields such as marketing and management. Thus, it should be emphasized that the opportunities for the development of e-commerce in Uzbekistan are growing year by year. Its development creates opportunities for our national producers to open new markets and find new customers. Following the chosen and current path of e-commerce development will make the economy of Uzbekistan one of the leading representatives of the world market in the future. Choosing the right way to solve the problems of electronic commerce in

Uzbekistan is reflected in the well-being of the people, the progress of our society, and our economic development.

References

1. Kobelev, O.A. E-commerce /O.A. Kobelev; edited by S.V. Pirogov. – Moscow: Publishing and trading corporation “Dashkov and Co.”, 2018.
2. Nozimov, E. A., & Kholmirezayev, E. B. (2022). MAIN PROBLEMS OF THE BANKING SYSTEM OF THE REPUBLIC OF UZBEKISTAN. *Miasto Przyszłości*, 24, 143-145.
3. “Economic Review”, November 14, 2009. “New peak of the Uzbek Internet”, 18-B.
4. Nozimov, E. A. (2021). The Role of Information Technologies in Innovative Development of Banks. *Journal of Marketing and Emerging Economics*.
5. Schueffel P. Taming the Beast: A Scientific Definition of Fintech // *Journal of Innovation Management*. 2017. 4, 1. 4. 45
6. Anvarovich, N. E. (2023). Economic Growth and Increasing Investment Attractiveness of the Region. *Central Asian Journal of Innovations on Tourism Management and Finance*, 4(11),1-7.