



WWJMER 2023;1(01):1-6
www.wwjmer.com
*International Journal Peer
Reviewed Journal Refereed
Journal Indexed Journal*

**Ismoilova Gulnora
Fayzullayevna**

PhD, docent, Department of
Management and Marketing,
Tashkent University of
Information Technologies
named after Muhammad al-
Khwarizmi, Tashkent,
Uzbekistan.

Nabiyeva Feruza Odilovna

Master degree in E-
commerce, Tashkent
University of Information
Technologies named after
Muhammad al-Khwarizmi,
Tashkent, Uzbekistan.

**Mahmudov Jahongir Xakim
o'g'li**

Master degree in E-
commerce, Tashkent
University of Information
Technologies named after
Muhammad al-Khwarizmi,
Tashkent, Uzbekistan.

Correspondence:

**Ismoilova Gulnora
Fayzullayevna**

PhD, docent, Department of
Management and Marketing,
Tashkent University of
Information Technologies
named after Muhammad al-
Khwarizmi, Tashkent,
Uzbekistan.

E-Commerce and Small Business

**Ismoilova Gulnora Fayzullayevna, Nabiyeva Feruza Odilovna,
Mahmudov Jahongir Xakim o'g'li.**

Abstract

The rapid expansion of information technology is reflected in the economy. The success of today's economy, especially in the sphere of entrepreneurship, is based on the high level of enhancement and effective use of various segments of information technology. This article discusses the development of e-commerce today and its impact on the activities of enterprises, the use of e-commerce by enterprises and the lack of potential staff, and the fact that the state pays special attention to this.

Keywords: Economics, ICT, E-Marketing, E-Commerce, Information, Innovation, (B2C), digital economy, technology, business.

Introduction

It is well known that business activities and small businesses are initially flexible enterprises. They are relatively easy and inexpensive to engage in e-commerce. But large corporations have a hard time realizing all the potential of e-commerce. For such an organization, selling a product over the Internet should not only change its business philosophy, but also the industry in which it operates. Therefore, organizations are trying to adapt their flawed business processes and systems to implement e-commerce. This includes many failed e-commerce initiatives. For example, weak, unsustainable, uncompetitive enterprises cannot succeed if they use e-commerce. In such examples, e-commerce is bound to fail. Before embarking on any e-commerce initiative, an organization must have an understanding of the environment required. For example, there are seven factors that support e-commerce and drive an organization:

1. **Convergence** - The convergence of business and technology in e-commerce, manages the organization. Technology has created business opportunities and also creates new business opportunities. The traditional duties of a leader and a specialist will merge and in the future there will be only one person's responsibility.
2. **Regulation** is the need for constant analysis to improve the internal and external processes of a business. Regulation also involves the creation of new business processes, which in turn leads to the creation of new or additional infrastructure. Organizations can no longer work separately from customers, partners, and suppliers.
3. **Technology Awareness** - All organizations that use e-commerce need to be aware of technological developments, as such developments create new opportunities. Future leaders need to have a deep understanding of the business and technological aspects that affect their organizations and industries.

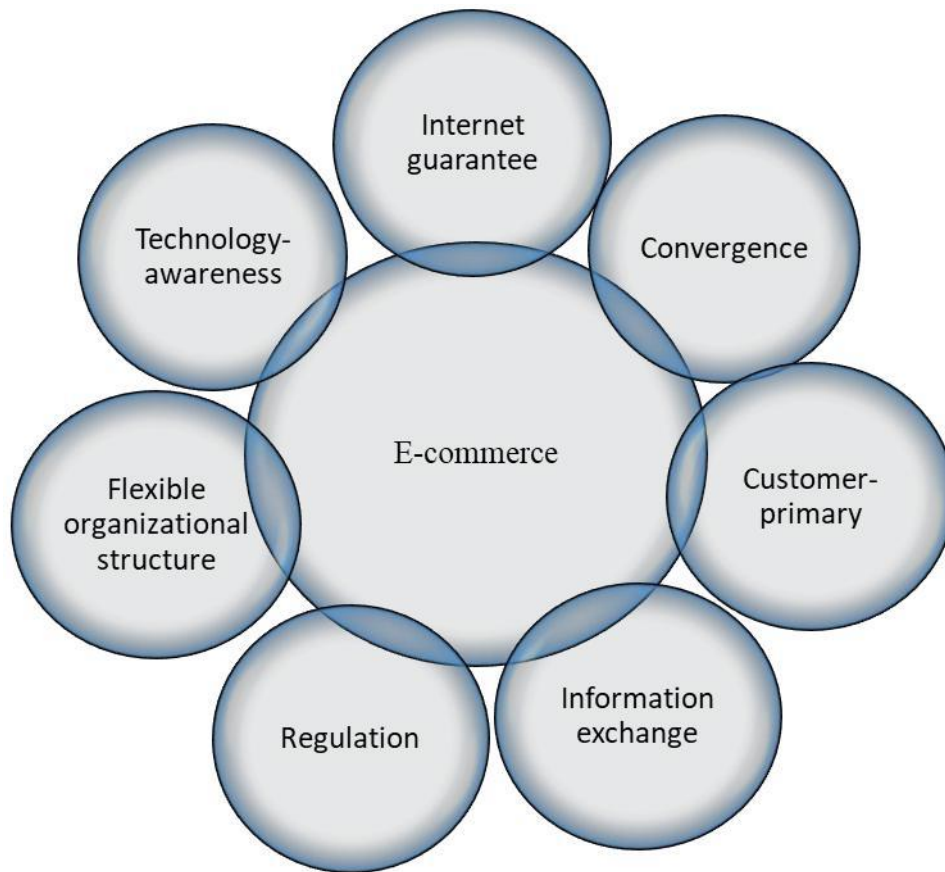


Fig. 1: Factors which support e-commerce (made by authors).

4. **Flexible organizational structure** - E-commerce is developing rapidly. This requires quick adaptation to change. organizational structure is important for flexibility. At present, linear and functional organizational structures of the past are insufficient and new structures, such as project and matrix organizational structures, are required.
5. **Information-exchange** - E-commerce differs from traditional commerce in that information is the main medium, not a physical product. Therefore, an aggressive approach to data collection, storage and retrieval should be followed. Many organizations have some information, but these are lacking in the implementation of e-commerce.
6. **Customer-Primary** - The direction of e-commerce is focused on the individual customer, not the unknown audience. This is sometimes called masscustomization, which means that products and services intended for the masses are "packaged" for humans.
7. **Internet guarantee** - E-commerce eliminates the need for physical presence, but at the same time creates insecurity due to lack of "face" and "place". Traditional organizations use physical presence to build initial trust with customers. In e-commerce, this is not always possible and therefore requires a different approach. One way to achieve initial trust is to have this organization scrutinized for reliability. If an organization understands and accepts the above factors, it can begin to develop an e-commerce strategy to move from its existing form to an e-commerce-based organization. A key factor in changing the organization is the perfect strategy.

In particular, the business-to-consumer (B2C) model has been described as a "cheat" around e-commerce, leading to many "bad situations". should be considered as an important problem. In fact, there are various technologies that solve many security problems. However, the main problem associated with the failure of e-commerce is whether or not this high-level management is supported. And it was also seen that another major problem was the lack of professionals among these top managers who understood or organized e-commerce. Also, one of the key things that can be done is to offer a practical, top-down approach to transforming these "traditional" organizations into "e-commerce-based organizations". It is also worth noting that this proposed approach is more widely accepted by senior management. We know that its legal basis plays an important role in the implementation of any work of great importance. Each new innovative project and work planned to be implemented is legally grounded beforehand and its level of activity is examined.

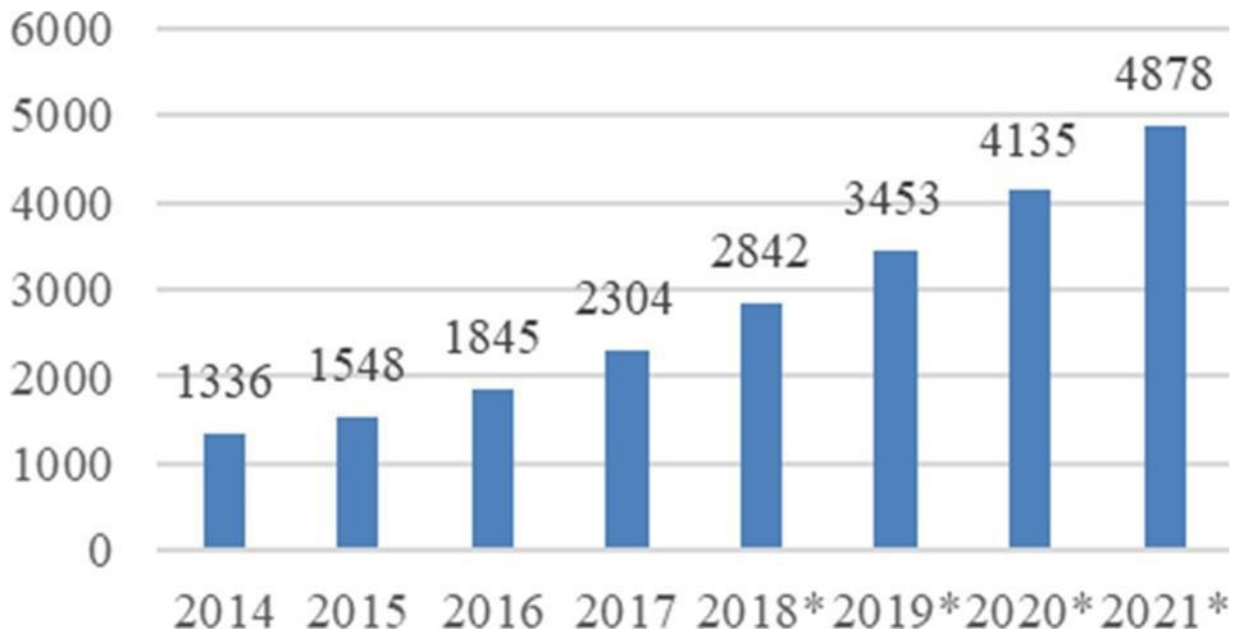


Fig. 2: Retail e-commerce sales worldwide from 2014 to 2021, * - forecast (in billion U.S. dollars) [2]

The introduction of information and communication technologies in all spheres of society, the creation of an informed society, the acceleration of integration into the global Internet are of great importance for our country to achieve high results in economic and social spheres, to fully form the world economic system. Information (ICT) technology has changed society in the last 30 years. At present, a new wave of technological advances is creating new opportunities, while at the same time testing the state's ability to take advantage of technological advantages and rationally control the development of technology. Uzbekistan does not have an ecosystem that promotes innovation and ICT development. In particular, technoparks, business incubators, crowdfunding platforms and other necessary components of innovation infrastructure are in the early stages of development. The use of ICT is also at an early stage of development: Uzbekistan ranks 95th in the

ICT Development Index [1]. The rapid development of information and communication technologies (ICT) in the world economy has led to a radical change in the services sector. As a result, the widespread application of the digital economy and management methods based on it has become one of the key factors in the development of the world economy.

Literature review

The global community's need for information technology (IT) to achieve the intended development and prosperity is growing rapidly. The growth of economic growth, the improvement of living standards of the world's population is the result of the integration of information technology into our daily lives. World experience shows that the free flow of information accelerates the transition to a market economy and increases social welfare [3].

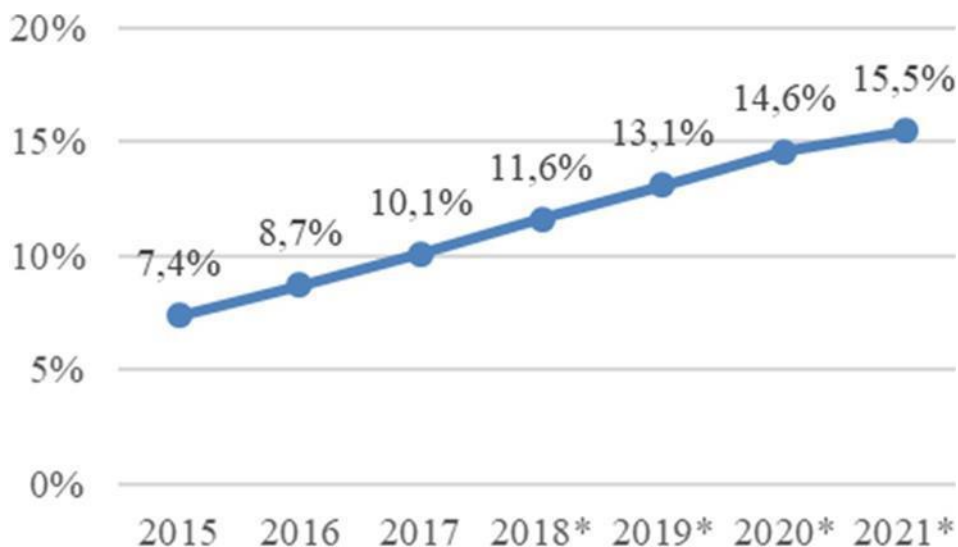


Fig. 3: E-commerce share of total global retail sales, * - forecast [2]

The development of the economy and ICT has led to the introduction of new concepts, new categories. All economic

disciplines, including e-commerce, digital economy, e-marketing, have entered new economic concepts and

disciplines. The development of e-commerce as a science has also achieved unprecedented results in the field of information technology. At the same time, both industry and science realized its importance, as a result of which a lot of research was conducted in its various aspects, its positive aspects were studied. But along with the successes, it began to be investigated that it was more prone to failures. The popular media, in particular, have begun to report on social media that there are various scams surrounding e-commerce. In particular, the business-to-consumer (B2C) model has been described as a “cheat” around e-commerce, which has led to many “bad situations”. Therefore, many studies that have been conducted shed light on the problems in analyzing the shortcomings of e-commerce, and most of them considered security as the most important issue. In fact, there are many different technologies that solve many security problems. However, the main problem with the failure of e-commerce is whether or not high-level management is

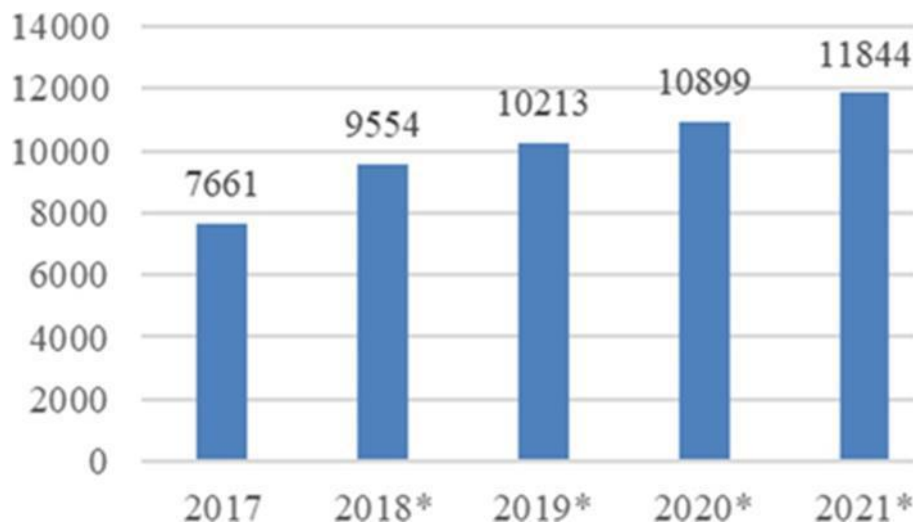


Fig. 4: B2B e-commerce volume, * - forecast (in billion U.S. dollars) [2]

Information (ICT) technology has changed society in the last 30 years. At present, a new wave of technological advances is creating new opportunities, while at the same time testing the state's ability to take advantage of technological advantages and rationally control the development of technology. Of course, the Uzbek economy is no exception. A clear example is the steady growth of a number of segments of information technology, such as data transmission networks, information Internet resources and electronic document exchange between them, business and commerce. For Uzbekistan, the development of information technology plays an important role in ensuring new economic ties. However, this process will take place only if there is a certain level of information readiness of the society, which will arise as a result of increasing educational standards in the field of information technology, modernization of national telecommunications networks, the formation of the legal framework. Due to the gradual development of the Uzbek economy, the importance of new principles of doing business, especially e-commerce, has grown significantly. To date, every Internet user has tried to understand the meaning of the word e-commerce. The U.S. market, which has yet to build a long history of such activity, generates an average of \$ 1.5-2 trillion a year. The funds will be converted into US dollars [4].

Today, government agencies in Uzbekistan follow the following principles, which are widely used in the

supported. And it was also seen that another major problem was the lack of professionals among these top managers who understood or organized e-commerce. Also, one of the key things that can be done is to offer a practical, top-down approach to transforming these “traditional” organizations into “e-commerce-based organizations”.

It is also worth noting that this proposed approach is more widely accepted by senior management. We know that its legal basis plays an important role in the implementation of any work of great importance. Each new innovative project and work planned to be implemented is legally grounded beforehand and its level of activity is examined. The introduction of information and communication technologies in all spheres of society, the creation of an informed society, the acceleration of integration into the global Internet are of great importance for our country to achieve high results in economic and social spheres, to fully form the world economic system.

development of e-commerce in the world.

- The corporate sector should play an active role in the development of e-commerce;
- Various unreasonable restrictions on e-commerce by government agencies should not be allowed;
- Public authorities can intervene in the e-commerce process in order to support and improve the legal framework;
- In developing e-commerce management measures, public authorities should take into account the specifics of the Internet;
- The e-commerce process should take place on a global scale, independent of administrative-territorial divisions and state borders.

As a result of economic development, Uzbekistan is strengthening its position in the international economic system. This, in turn, necessitates the improvement of e-commerce infrastructure, ensuring its emergence as a strong competitor in the global market. In view of the above, a number of significant steps have been taken to improve the legal framework for e-commerce. For instance, the only electronic bank that contains information on local entities of e-commerce, introduced by the Decree of the President of the Republic of Uzbekistan dated May 14, 2018 No PP-3724 "On measures to accelerate the development of e-

commerce" was created. The main tasks and directions of the National Register of e-commerce entities are:

- creation of a single electronic bank on e-commerce participants;
- assessment of the state of implementation and development of e-commerce, including the study of the effectiveness of the introduction of information systems and resources;
- preparation of targeted analysis and proposals to improve the existing legislation for the effective development of e-commerce.

According to the Resolution of the President of the Republic of Uzbekistan dated May 14, 2018 No PP-3724 "On measures to accelerate the development of e-commerce" Development of the system "E-government" under the Ministry of Information Technologies and Communications of the Republic of Uzbekistan The center is responsible for the formation, maintenance and development of the National Register. Legal entities and individual entrepreneurs included in the National Register are the payers of the single tax at the rate of 2% [5].

It should be noted however that in addition to the development of e-commerce in Uzbekistan, there are a number of problems that hinder the development of this sector. Prompt and clear solution of these problems is one of the important requirements of today. This is due to the fact that the following issues are common in the world, and if they are not addressed properly, serious crises in this area can occur. Uzbekistan does not have an ecosystem that promotes innovation and ICT development. In particular, technology parks, business incubators, crowdfunding platforms and other necessary components of innovation infrastructure are in the early stages of development. Uzbekistan does not have an ecosystem that promotes innovation and ICT development [6]. In particular, technology parks, business incubators, crowdfunding platforms and other necessary components of innovation infrastructure are in the early stages of development. The use of ICT is also at an early stage of development: Uzbekistan is ranked 95th in the ICT Development Index. The emergence of computers, mobile phones and Internet technologies operating in innovative systems under the influence of the rapid development of information and communication technologies (ICT) in the global economy has led to a radical change in the services sector. As a result, the widespread use of the digital economy and management methods based on it has become one of the key factors in the development of the world economy. The share of the digital economy in the GDP of developed countries was 1.2% in 2010, and by 2018, this figure was 5.5%. The share of the digital economy in the GDP of developed countries increased from 3.6% in 2017 to 4.9%. This figure has been rising sharply in recent years, the reason is, as mentioned above, it is gaining more and more attention in society. The President's announcement of 2020 as the "Year of Science, Enlightenment and Development of the Digital Economy" will be a great impetus to address these issues, because the basis of the digital economy is the rapid development of science and ICT, and the resulting new business models, as well as the goods and services they offer. According to the report of the International Monetary Fund on the level of development of the digital economy on February 28, 2018, due to the lack of innovative business models and

internationally agreed definitions and classifications of information and communication services they offer, the share of the digital economy in GDP in some rapidly developing countries remains low and the classification of services in this sector needs to be revised.

Conclusion and suggestions

We suggest the following as the main areas of research and solutions to the above problems:

- It is necessary to deepen scientific research in the field of e-commerce. Research, writing articles, creating specialized Internet resources, organizing regular forums and conferences, taking into account not only the technical, but also economic and legal features of e-commerce in training, one of the main problems is the lack of qualified personnel.
- Developing competition in the field of telecommunications services. This will lead to an increase in the quality of services, lower prices and the creation of certain Internet audiences for e-commerce.
- Ensuring that the right legal environment for investment in the ICT sector is always in place.
- Creating self-management and experience sharing systems
- Development of e-learning system
- Ensuring the dissemination of information technology throughout Uzbekistan. The introduction of information technology not only in regional centers, but also in remote villages will lead to a significant increase in the volume of e-commerce.

Thus, it should be noted that the opportunities for the development of e-commerce in Uzbekistan are growing from year to year. Its development will create 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 Uzbek economy one of the leading representatives of the world market in the future. The choice of the right way to solve the existing problems of e-commerce in Uzbekistan is reflected in the well-being of the people, the development of our society, our economic development.

References

1. Elektronnaya kommersiya v Uzbekistane: sostoyanie, problemy i puti razvitiya. X.U.Raximova. 2017g.-110 s.
2. The Statistical Portal. <https://www.statista.com/> (2019).
3. <http://www.freedomhouse.org/research/freeworld/2001/growth.htm>
4. The Economist, November 8th-14th 2008, "How to control E-commerce", p. 23-24.
5. <https://e-tijorat.uz/uz/pages/o-naswhq>
6. Ismoilova, Gulnora, et al. "Creating a Robust ICT Base for the Digital Economy." 2019 International Conference on Information Science and Communications Technologies (ICISCT). IEEE, 2019.
7. <https://uzbekistan2035.uz/wp-content/uploads/>
8. Global Ecommerce: Statistics and International Growth Trends (Infographic). <https://www.shopify.com/enterprise/global-ecommerce-statistics> (2018).
9. Anil, K.: Introduction to e-commerce. <http://www.ddegjust.ac.in/studymaterial/mcom/mc-201.pdf> (2019).

10. Coppel, J.: E-Commerce: Impact and policy challenges. OECD Ec. Dep. Work. P. 252, 45– 60 (2000)
11. Efendi, J., Kinney, M.: Marketing Supply Chain Using B2B Buy-Side-E-Commerce Systems: Does Adoption Impact Financial Performance? *Ac. of Mark. St. J.* 17(2), 73–81 (2013)
12. Ismoilova, G., Nabieva, F., Umarova, G., Rahmatullaev, M.; “Macroeconomic development and factors affecting on it”; *International Journal of Scientific and Technology Research*, 2020, 9(3), p. 3542–3545.