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IMPACT OF THE PANDEMIC ON ACCELERATING THE DEVELOPMENT OF E-COMMERCE IN THE REPUBLIC OF UZBEKISTAN

©Atamuratova N., Karakalpak State University, Nukus, Uzbekistan, a_nurzada@karsu.uz

ВЛИЯНИЕ ПАНДЕМИИ НА УСКОРЕНИЕ РАЗВИТИЯ ЭЛЕКТРОННОЙ КОММЕРЦИИ В РЕСПУБЛИКЕ УЗБЕКИСТАН

©**Атамуратова Н. Б.,** Каракалпакский государственный университет, г. Нукус, Узбекистан, а nurzada@karsu.uz

Abstract. The article examined the use and implementation of ICT in Uzbekistan, also analyzed the current state of development of the Internet in Central Asia, including around the world, and how the pandemic affected the intensive development of e-commerce. It should be noted that the monthly Speedtest Global Index was also given, which contains data on the speed of mobile and fixed broadband Internet in the world. And the current state of Wi-Fi technology, which is considered one of the formats for transmitting digital data over radio channels.

Аннотация. В статье рассмотрено использование и внедрение ИКТ в Узбекистане, также проанализировано современное состояние развития Интернета в Центральной Азии, в том числе во всем мире, и то, как пандемия повлияла на интенсивное развитие электронной коммерции. Следует отметить, что также был приведен ежемесячный рейтинг Speedtest Global Index, который содержит данные о скорости мобильного и фиксированного широкополосного интернета в мире. А также современное состояние технологии Wi-Fi, которая считается одним из форматов передачи цифровых данных по радиоканалам.

Keywords: ICT, e-commerce, digital economy, Internet, digitalization.

Ключевые слова: ИКТ, электронная коммерция, цифровая экономика, Интернет, цифровизация.

Introduction

Information and communication technologies have firmly entered our life, when information exchange and communication is carried out in an easy and comfortable way, dynamically using various types of communications. The development of ICT is one of the significant factors influencing the development of the region and society as a whole. The intensity of economic development depends on the level of the state digitalization, that is, the transition to the digital economy is a requirement of the current time. After all, the improvement of ICT directly affects the level of competitiveness of the country, allowing to collect and summarize huge flows of information, as well as opens up large-scale opportunities for management at the strategic level.

E-commerce – is an area of the national economy that covers all business processes related to transactions, financial and trade transactions carried out using the computer networks [1].

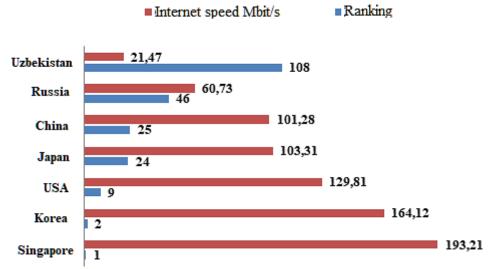
The field of ICT has become an integral part of the everyday life. The use of electronic document management, electronic communication means of accounting have expanded not only the possibilities in the field of fast information transfer, but also created the basis for the emergence of new forms of conducting business [2].

Methods and Materials

Nowadays, the Internet is a very promising medium for the development of trade and business activities. People are increasingly moving to e-commerce — this is the imperative of the time for many manufacturers and sellers and the current situation.

The economic development of the Republic of Uzbekistan in the context of the globalization of the world [4] economy and technological development is difficult to imagine without the rapid growth of the digital economy. Therefore, President Sh.Mirziyoyev announced 2020 as the year of development of science, education and digital economy. For example, consulting company Accenture predicts by 2022, up to a quarter of global GDP will come from the digital sector. Unsurprisingly, 2019 unofficially marked the beginning of an era of tech giants, with 7 tech companies firmly entrenched in the top 10 of most valuable companies. However, boosting the digital economy will require removing barriers that hinder the development of digitalization and E-commerce. According to the ICT development index, in 2017 Uzbekistan took 95th place (index - 4.9) among the other 176 countries (https://kommersant.uz/), and as noted by the President of the Republic of Uzbekistan in his message to the Oliy Majlis (dated January 24, 2020) in 2019 this indicator rose by 8 positions, but it is worth noting that Uzbekistan is still lagging behind in this area [3].

It should be noted that the problems of the development of digital economy in the Republic of Uzbekistan are similar to the general problems faced by developing countries. One of the main problems is weak telecommunication infrastructure and means of communication.



Source: Speed test Global Index

Figure 1. World Ranking of Countries by Internet Speed 2019

As shown in Figure 1., Singapore ranks first in the world in terms of internet speed with 193.21 Mbps, which is a prime example of how a micro-state without resources can become an economic giant with the most modern technologies. Residents of Singapore, in particular 4.6 million, use the Internet, which is 82% of the population. Singapore is one of the leaders in the implementation of e-government. This explains the demand for online banking and government

services, a very promising sector for IT companies (https://clck.ru/dcpuV5). Let's take a look at the current state of Internet development in Central Asian countries. For example, today Kazakhstan occupies a leading position in access to information technology among the countries of Central Asia; it should also be noted that the access to Internet in Turkmenistan is considered as one of the worst in the world. Figure 2. clearly illustrates the Internet speed rating in Central Asia.

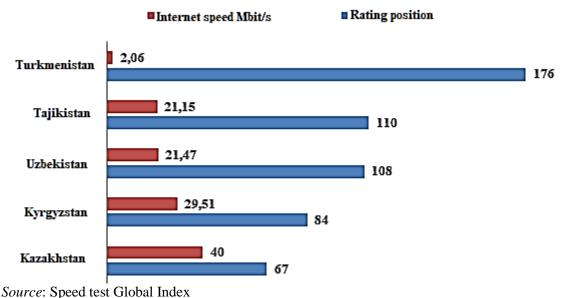


Figure 2. Internet speed rating in Central Asia for 2019

Nowadays, there are more than 20 million Internet users in Uzbekistan, but the average Internet connection speed in some CIS countries is much higher than in Uzbekistan. In this regard, the President of the Republic of Uzbekistan provided a number of companies, creating zones of free wireless Internet access (Wi-Fi zones) in public places the benefits for future development and expansion. And this, in turn, served as an additional measure to attract customers for entrepreneurs and create favorable conditions for the development of the tourism potential of the Republic of Uzbekistan. This is provided for by the Presidential Decree No. UP-5326 dated February 3, 2018.

The use of Wi-Fi enables any business to collect customer information. The processing of data on connections and the requested information allows to get the statistical characteristics of customers — such as demographics, behavior, habits, interests. Based on the data received, it is possible to adjust offers to customer expectations, using such mechanisms as social marketing, personalized offers, special offers, SMS, e-mail newsletters. All these measures lead to increased customer loyalty and, as a result, to higher profits for any business (https://clck.ru/dcpuV).

Results

It should be noted that 2020 was a very difficult year for the entire population of the world, the strictest quarantine was declared around the world due to the outbreak of COVID-19. On January 30 this year, the World Health Organization declared the outbreak as a public health emergency of international concern, and on March 11 as a pandemic. As a result, the whole world has isolated itself.

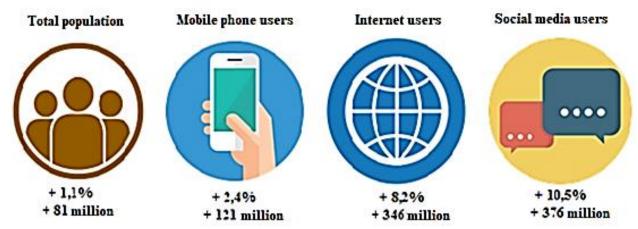
This whole situation associated to the spread of coronavirus has had a negative impact on one or another area of each state, including the world economy as a whole. The whole world, like our country, lives in a new reality. In such a difficult time, it is certainly difficult for all areas of human life. Especially, the service sector is considered as the most affected, since the provision of services

involves the congestion of people (places of public catering, trade, consumer services, entertainment, gyms, etc.) or is associated with their movement (transport services, tourism, hotel business, etc.). The exception, however, is telecommunication services that are provided remotely.

Due to the possibility of remote provision of services, the telecommunications sector has played a very important role in maintaining economic and educational activities under quarantine conditions. With the introduction of quarantine, some of the employees of various companies and enterprises crossed over to a remote mode of work, with the meetings held in videoconference mode, as well as online educational processes. At the same time, the technical conditions for such remote activities, are provided by enterprises of the information technology and communications industry. Staying at home in quarantine, working and studying remotely, people began to consume more communications and Internet services, as a result, the Internet traffic used by providers increased by an average of 10-20% (https://clck.ru/dcpvd).

11 months of 2020 have passed, and the global digital landscape is already very different from what we saw at the beginning of the year. While quarantine measures have been reduced in some countries, the new digital habits developed during the quarantine have persisted, leading to a significant increase in digital activity.

Thus, according to a report by Akamai, in just a few months of this year, global Internet traffic has grown by 30%. This data is echoed by GlobalWebIndex: since the beginning of 2020, we have begun to spend much more time with devices connected to the Internet. In connection with the growth in these areas, important trends have emerged that We Social и Hootsuite have collected in one report — Digital 2020: July Global Statshot (https://clck.ru/QrP37).



Source: www.hootsuite.com Digital 2020, July Global statshot report

Figure 3. Global digital growth in the world during the COVID 19 pandemic

If today the population of the Earth is about 7.85 billion people, then currently the Internet is used by 4.57 billion people worldwide, which is about 60% of the total population of the world. Figure 3. provides the global digital growth around the world, precisely during the pandemic. It should be noted that the number of Internet users grew relatively over this period by 8.2%, that is, according to the latest analysis by We Social и Hootsuite, 346 million people first connected to the Internet in the last year.

Discussion

Thus, in the context of the COVID 19 pandemic, an increase in Internet speed was recorded in Uzbekistan, it increased by 8%, and mobile Internet by 16%. According to the Speedtest net service, which monthly compiles a rating of countries by the speed of mobile and wired Internet Speedtest

Global Index, in March 2020, Uzbekistan improved the mobile Internet by one position, taking 133rd place (speed — 10.07 Mbps), and by seven positions in terms of the speed of the fixed Internet, taking the 95th place in the rating (speed — 26.92 Mbit / s) out of 176 countries. During the year, in terms of fixed Internet speed Uzbekistan rose by 36 positions in this rating, increasing it by almost 2.3 times from 11.62 Mbit/s in March 2019 to 26.92 Mbit/s in March (2020https://clck.ru/dcpvd) [6].

Conclusions

Analyzing the growth of e-commerce development in developed countries, including the Republic of Uzbekistan, it can be noted that:

Firstly, in the course of quarantine measures, the use of telecommunications services by business enterprises and the population has significantly increased, thereby expanding the scale of their sales market.

Secondly, the traditional services sector crossed to online mode, as a result the rate of economic growth has increased during the pandemic due to the forced transition to the digital economy. The coronavirus has significantly accelerated the digital transformation and transition to online of those enterprises that previously focused on offline demands.

In condition of the [5] pandemic, the acceleration of the processes of digitalization of the economy has acquired particular relevance. Therefore, the future of our country is inextricably linked with the widespread introduction and use of digital technologies.

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