

Article

Foreign Experience of Using Electronic Commerce Systems in Joint Stock Companies

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Abstract: Joint-stock firms' worldwide e-commerce growth is crucial to national economies, and Uzbekistan's strategic emphasis on the digital economy is expected to spur significant expansion. The country's e-commerce participation is still mostly domestic, despite advantageous conditions like internet availability and government assistance. This highlights a substantial knowledge gap in utilizing overseas markets. This study investigated international e-commerce models and their implementation in Uzbekistan using both theoretical and empirical approaches. The findings imply that although e-commerce infrastructure is growing, progress is being hindered by infrastructural and regulatory issues. Through improved digital trade, addressing these problems could promote global competitiveness and support sustainable economic development, both of which are in line with the "Digital Uzbekistan 2030" vision.

Keywords: joint-stock firms, electronic commerce, e-commerce enterprises, online sellers, businesses, digital economy, electronic business, online banking services, e-marketplaces

1. Introduction

In the Republic of Uzbekistan, e-commerce can be seen as one of the most promising areas of business activity. According to industry experts, the republic has all the necessary conditions and resources for the development of e-commerce: the increase in computer literacy of the population, the spread of high-quality Internet with low traffic prices throughout the country, etc. The global development of information technologies has become a support for changes in the economy and society. One of the main components of these processes is the penetration of the Internet into all sectors of the economy. Recently, the scope of commercial communication via the Internet has expanded significantly, it includes the following components: - sale and purchase of goods via the Internet; - money transfer using electronic networks; - information trade in electronic form, etc.

E-commerce is one of the fastest growing sectors in the modern economy. It is viewed as a profitable activity of a company based on digital technologies and the benefits they provide. Buyers attracted to the new commercial environment will have certain opportunities and benefits. The tasks facing the organizations are being solved much faster and at the lowest cost using the possibilities of information and communication technologies. Large companies of the Republic of Uzbekistan, representatives of small and medium-sized businesses began to occupy the electronic part, which is increasing the share of the country's economy, at such a time when the Republic of Uzbekistan has the opportunity to develop its economy.

The basis of the development of electronic commerce is the use of the global Internet. Indicators such as the level of global network penetration and the number of users have a

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direct impact on the level of development of e-commerce. From a technical point of view, the Internet of the Republic of Uzbekistan is ready to develop e-commerce in the country. A large part of the territory of the Republic of Uzbekistan is covered by the Internet: there is a rapid increase in the number of Internet users and the development of information and communication technologies, which has a positive effect on the number of potential buyers who use modern information and communication technologies to purchase goods and services showing the secret.

Not only Internet connection and technical equipment of organizations with modern computers, but also the presence of a website and an e-mail address are of great importance for evaluating the possibilities of e-commerce development. The personal website of the organization significantly expands the possibilities of interaction between the participants of electronic economic relations:

- the site publishes useful information related to the organization's activities: analysis and market news, statistical studies, trends, specific features of communication with customers, theoretical and practical bases of this;
- business, organization news are posted;
- a portfolio or product image is placed on the site. The consumer sees the offered goods, which confirms the declared quality, characteristics, shows the professionalism of the company;
- information trade in electronic form and others;
- the site allows the consumer to contact the company.

Analysis of Used Literature

E-commerce is one of the promising components of the innovative economy. That is why the methodology of measuring its growth rate has been the focus of attention of foreign and domestic scientists and experts.

Issues related to the theoretical foundations of the e-commerce system and the formation of entrepreneurship in joint-stock companies were studied in the works of foreign scientists and economists such as N. Vulkan, G. Duncan, D. Kozie, M. McCartney, L. Mitchell, A. Summer, T. Wilson.

Organizational and economic issues in electronic commerce in near foreign countries L.E. Varakin, N.I. Gerashchenko, A. A. Kantarovich, O. A. Kobelev, G. Ya. Rezgo, L. D. Reiman, V. I. Skiba, I. V. Uspensky, V.V. Tsarev appeared in the works of scientists.

Theory and practical issues in electronic commerce R.I. Isaev, T.K. Iminov, X.A. Mukhitdinov. M.M. It is mentioned in the works of Yoldoshev, who also considered the essence of the electronic commerce system as a conceptual tool. Issues of electronic document circulation and digital subscription R.I. Isaev, P.F. Khasanov, Kh.P. Covered by Khasanov et al.

Currently, a number of measures are being implemented in the strategy of developing e-commerce in Uzbekistan. The e-commerce sector of Uzbekistan faces multifaceted tasks and opportunities. Active policy-level changes taking place in the ecosystem, as well as the broader development of the digital economy, bode well for the industry's future growth from its current lows. This Strategy represents a road map for removing barriers to growth within each major component of the e-commerce ecosystem in the Republic of Uzbekistan. Its implementation should be set as one of the priority tasks, because the development of the e-commerce sector in Uzbekistan can make a significant contribution to the implementation of the concept presented in the "Digital Uzbekistan-2030" Strategy (the strategy for the development of e-commerce in Uzbekistan).

Despite the growing political attention to the digital economy driving the development of the business environment for e-commerce enterprises, existing problems with the

tax sector are a serious problem for entrepreneurs. Existing exemptions, use of e-commerce registers by e-commerce businesses, value-added tax (VAT) and income tax burdens are reviewed in order to assess their impact on the emerging e-commerce sector. It is necessary to remove the rib. Another problem is that the current tax rules are unclear for trading platforms. Trading platforms should pay tax not from working capital, but from commissions. This prompted the research to analyze what was not taken into account or not correctly interpreted in the tax legislation.

2. Materials and Methods

In the course of the research, scientific studies on the foreign experience of using e-commerce systems in joint-stock companies and its practical significance were studied. Observation and selection, scientific-theoretical, empirical observation methods were used in the process of creating the article. The reliability of the research results is explained by the use of foreign and national statistical official sources used in the research.

3. Results and Discussion

The formation of infrastructure for electronic commerce is actively developing in the Republic of Uzbekistan. At the same time, the involvement of the population and organizations in the e-commerce environment is insufficient: the volume of e-commerce transactions is currently carried out mainly only at the level of the local market. Today, the main direction of trade through the Internet is the sale and purchase of consumer goods. A unique product, for example, an old bronze figurine, you want to see "live" and touch with your hands. But there are also common products like mobile phones or computers that people are willing to order just for their visual and technical features. All this is already being developed in Uzbekistan. The level of establishment of local online stores is constantly increasing. The number of online stores that meet high standards of quality and visual perception of their products or services is increasing. This is due to the increase in the level of competition in various segments of the market. Therefore, in order to maintain their position in the market, businessmen must constantly develop their business and thereby contribute to the development of electronic commerce in the Republic of Uzbekistan. Today, creating online stores is one of the promising areas of local online business. The rapid development of technology has led to an unexpected increase in consumer interest in this field.

There are many advantages of e-commerce: shopping without leaving home, getting acquainted with a wide list of goods offered on a number of thematic sites in a short time, etc. A comparative study of e-commerce made it possible to analyze the state of e-commerce in the country, as well as its specific problems and characteristics, to develop a number of proposals for its further development, and therefore, as a result, the following are proposed:

- improvement of communication and telecommunication infrastructure that ensures information security in electronic forms of mutual cooperation between business entities;
- review and coordination of the current regulatory and legal framework in the field of electronic commerce, ensuring that draft laws are open to all interested parties, review and comments;
- development of online applications supporting e-commerce for business, as well as promoting the development of search engines aimed at users of mobile devices;

- measures for teaching the use of modern Internet and information technologies in business activities, including measures for the use of information technologies for the participation of organizations in electronic auctions;
- continuous promotion activities aimed at increasing e-commerce literacy among citizens of the country.

The benefits of using e-commerce systems in joint-stock companies can be divided into three main categories: benefits for organizations, benefits for customers, benefits for society. We can see their explanation in the table below (Table 1).

Table 1. Advantages of using e-commerce systems in joint-stock companies

	<p>An organisation can broaden its market reach to national and international levels with minimal capital input. An organisation can readily identify additional customers, superior suppliers, and appropriate business partners globally; e-commerce facilitates the reduction of costs associated with the creation, distribution, searching, and management of paper data through digitisation; e-commerce streamlines business processes, enhancing their speed and efficiency.</p>
Benefits for organizations	<p>E-commerce enhances organisational efficiency. It facilitates "pull" supply chain management. In supply chain management, a business process commences upon receiving a customer request, utilising a "just-in-time" approach.</p> <p>Round-the-clock support enables customers to enquire about products or services at any time and from any location;</p> <p>an e-commerce application offers users enhanced choices and expedited product delivery; it facilitates users in comparing and selecting more economical and superior options;</p>
Customer benefits	<p>e-commerce fosters competition among organisations, leading to substantial discounts for consumers.</p> <p>Customers are not required to travel to the store, so diminishing traffic congestion and air pollution;</p> <p>e-commerce facilitates the government in providing public services, including health, education, and social services, at reduced costs and with enhanced efficiency.</p> <p>e-commerce increases competition between organizations and as a result, organizations provide significant discounts for customers.</p>

	customers do not have to drive to the store, which reduces traffic and air pollution;
Benefits to society	e-commerce helps the government deliver public services such as health, education and social services at lower prices and in an improved manner.

From the table above, we can see that all three main categories of e-commerce systems application in joint-stock companies are important in their place. Their use in joint-stock companies brings a lot of convenience to the company's employees and customers.

According to the data, in 2023, the total volume of global e-commerce will exceed 36.6 trillion dollars. B2B (business-to-business) accounts for more than 80% of global e-commerce sales, B2C (business-to-consumer) less than 20%, and the cross-border segment just over 1%. The retail e-commerce market is estimated to be worth \$11.09 trillion in 2022 and reach \$12.36 trillion in 2023. From 2023 to 2027, e-commerce worldwide is forecast to grow at an average rate of 14.7%, with revenue reaching a whopping \$15.2 trillion in 2027.

According to the report, e-commerce has grown significantly in several countries. The Republic of Korea had the highest share in 2020 at 25.9%, up from 20.8% last year (Table 2).

Table 2. The growth of e-commerce between countries

No	Countries	2021	2022	2023
1	Australia	5.6	6.3	9.4
2	Canada	3.0	3.6	6.2
3	China	18.4	20.7	24.9
4	South Korea	18.2	20.8	25.9
5	Singapore	4.7	5.9	11.7
6	United Kingdom	14.9	15.8	23.3
7	United States	9.9	11.0	14.0

According to the most recent projections, worldwide e-commerce sales increased to \$26.7 trillion in 2019, representing a 4 percent rise over 2018. Amazon constitutes 47% of total e-commerce sales in the United States. Three further companies represent the United States in the e-commerce sector: eBay, Walmart, OfferUp, and Wish. All these companies rank within the top 10 globally for internet sales. Amazon ranks third in gross merchandise value, trailing behind Chinese competitors Taobao and Tmall. Both platforms are managed by Alibaba Group, the preeminent online commerce supplier in Asia.

Asia possesses significant market potential for e-commerce. In 2023, e-commerce in Asia is projected to expand by 42%. Robust growth is projected to persist in the forthcoming years, leading to the e-commerce market nearly tripling to \$2 trillion by 2025. Consequently, the Asia region is projected to exhibit the most significant growth from 2021 to 2025, accompanied by substantial expenditures.

China currently holds the position of the world's foremost e-commerce merchant. Several years prior, the global B2C market was valued at 1.7 trillion dollars, constituting 7.4% of worldwide retail sales, with China representing almost one-third of this market at 35.4%. Currently, 850 million individuals in China engage in e-commerce, and by 2024, this demographic is projected to surpass 1 billion. China is the most inventive market due to its robust infrastructure, multitude of participants, varied sales formats, and mobile-centric consumers.

In 2023, China emerged as the largest e-commerce market among the world's three largest economies - the US, China, and Europe - and is projected to maintain its leadership until 2027. The Chinese market is projected to attain 1,318.7 billion US dollars in 2023. Revenues are projected to increase at a compound annual growth rate (CAGR) of 12.2% until 2027, culminating in revenues of \$2,088.2 billion. The Chinese market is anticipated to have the highest growth rate among the three primary regions. The United States market is projected to yield sales of USD 925.4 billion in 2023. The market is projected to attain \$1,415.8 billion in revenue in China by 2027, growing at a CAGR of 11.2%.

In the case of Russian e-commerce, 59 percent of Molotok.ru users indicated that they shop online due to the affordability of products, 58 percent cited convenience as their reason for online shopping, whereas 42.6 percent believe that traditional retail suffices for timely purchases.

In Uzbekistan, the predominant demographic of internet shoppers (76%) resides in Tashkent city, Tashkent region, and many other regional cities. This association persists after accounting for income and Internet experience.

The development of e-commerce allows to sell goods on a large scale in local and foreign markets. It also opens new doors for entrepreneurs of our country to compete in foreign markets.

State support plays an important role in strengthening e-commerce positions and achieving new results. The adoption of the "Law on Electronic Commerce", the "Digital Uzbekistan 2030" strategy, the "Strategy for the Development of Electronic Commerce", and the establishment of IT parks became the key to new opportunities in the field of electronic commerce.

4. Conclusion

In conclusion, it can be said that the main ways and strategies of successfully competing in foreign markets in the field of e-commerce of Uzbekistan have been analyzed. Analysis of foreign markets was carried out using scientific and practical methods. In order to successfully compete in foreign markets, it is desirable to develop e-commerce opportunities for local entrepreneurs, in particular, to use foreign trading platforms, to identify opportunities to expand to new markets. It is required to pay attention to the latest changes in foreign markets, to support entrepreneurs and innovations in the development of e-commerce services, payment systems, and projects.

According to the analysis, now most of the online purchases in our country are made in local stores. The main country for online buyers in the Republic of Uzbekistan is the People's Republic of China. Therefore, the indicators of the involvement of the population and organizations in the e-commerce environment, entering the foreign market and working with foreign partners are still insufficient.

However, increasing the share of information and communication technologies and e-commerce revenues in the gross domestic product (GDP) of our country is one of the urgent issues of today. It is good that the number of online stores is increasing and customers are adapting to it. But a more extensive comparative study of the system is required. In this way, a number of suggestions will be revealed.

For example, it is necessary to improve communication and telecommunication infrastructure that ensures information security in electronic forms of mutual cooperation between business entities. Also, revision and coordination of the current legal framework in the field of e-commerce, development of online applications supporting e-commerce for business, promotion aimed at increasing e-commerce literacy among citizens of the coun-

try continuous holding of events, development of the electronic money market and support for the popularization of electronic wallets serve to further develop electronic commerce.

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