

Impact of the Digital Economy on Business Development

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Abstract:

This article will talk about the role and importance of digital economy in the development of business, the models of digital economy in business and methods of their effective use, the improvement of digital economy in the world of companies using digital economy and their activities. The main issue of the author's research is aimed at determining the role and significance of the digital economy in the development of business, its implementation in business.

Keywords: business, digital economy, digital technology, digital business, Internet, Technology, Information Technology, Innovation, Platform.

INTRODUCTION

Currently, the term "digital economy" is widely used both in theory and in practice. According to Stan Kaplan's well-known statements in risk analysis methods, 50% of the world's problems stem from situations where the same words were used [5]. To represent different concepts and the same quantity arises because the same concepts are interpreted in different words [5]. The relevance of the problems of the formation of the digital economy is due to the growth of the scale of social communication through social networks and the effectiveness of digital platforms that increase the speed and diversity of exchange. Today, the concept of digital economy has appeared in the economic theory and practice of a number of countries. It was characterized by the rapid development of digital technologies, the revolution in the field of information and the acceleration of the globalization processes of the economy. The effectiveness of their use has been transformed into increasing knowledge, socio-economic ties are expanding.

Digital economy-the most important condition for the effective functioning of enterprises in the digital economy is the use of modern computer and information systems by them, closely related to electronic business and e-commerce based on digital technologies, economic activities, organizations and, first of all, the real sector of the economy. Digitalization of the enterprise, based

on modern production methods, dramatically changes the quality of management of technological processes and decision-making processes at all levels of management and is one of the most important factors for increasing the efficiency and stability of the enterprise's activities.

Digital economy is an economic activity closely related to digital technology-based e-business and e-commerce, which allows you to seriously increase the efficiency of storage, sale and delivery of various types, technologies, equipment, goods and services based on the use of process analysis results and processing large amounts of information, as well as the collection of digital goods, services produced and sold as a result of In some cases it is also represented by terms such as internet economics, new economics or web economics.

The main factor in the production and service of the digital economy about doing business is the processing of large amounts of information. It helps to find information in the form of numbers that are used to analyze the results of this processing in various types of production, services, technologies, devices, storage. In other words, the digital economy is an activity related to the development of digital computer technology in the provision of online services, electronic payments, internet commerce and other types of industries. As a result of the study of the world experience, it became clear that in developed countries in the digital economy, the economic rules of the state (government) market for all participants in business are established and will be the most important task of the state in creating an equal and favorable environment.

LITERATURE REVIEW

The digital economy represents an economic activity based on digital technology. This includes internet, mobile devices, Cloud computing, and Big Data (Big data) Analysis. Digital economics is seen in new business models such as Share economics and platform economics. These business models distort the Traditionalist spheres, creating new opportunities for businesses.

When talking about the process of “digitization” of Economics and society (in English –digitization means digitization, and sometimes digitalization means digitization), first of all, it is necessary to clarify the terminology. In the broadest sense, the process of” digitization ” usually refers to the socio-economic transformation initiated by the initiative for the widespread use and assimilation of digital technologies. A number of definitions have been given to the concept of digital economics. In particular, professor V.Ivanov described "digital economy is a virtual environment that fills our reality," Professor D.Kungurov believes that there are two – classical and traditional approaches to the term” digital economy ” [6]. Digital economy, which describes the exclusive domain of Economics and electronic goods and services on the basis of digital technologies: the first approach is called “Classic”, and classic examples are telemedicine, distance education, drug sales (films, televisions, books, etc.). The second approach:” digital economy ” is economic production using advanced digital technologies. M.L. Kaluzhsky described the digital economy as an economic internet activity, as well as forms, methods, tools and the communication environment of its implementation [7].

According to sources “digital economy” this type of economy is to some extent a model of the type that works in practice [7]. Today, there are a number of transnational in the digital platform market there are companies, between which there is an atmosphere of intense competition.Digital economy is a production complex, a production system that creates products and services that provide life and comfort for a person, where a certain cyber-physical (cyberfizicheskaya) system appears [8]. Digital economy it is a virtual environment in which the production complex creates products and services that provide facilities for humans, and is considered an economic production system using digital technologies [7].

The term "digital economy" was introduced into scientific practice by Manuel Castels, a Spanish and American sociologist, a leading researcher in an informed society [8]. In this regard, he published his three-volume monograph “The Information Age: economics, society and culture” [8].

By now, the theory of digital economics has not yet been fully formed and is being studied on a large scale by most economists. In the scientific literature, the modern "new digital economy" is called by various terms [8]. For example, "Postindustrial economics" (D. Bell), "informed economics" (O. Toffler), "Mega-economics" (V. Kuvaldin), "information and communication-based economics" (I. Niiniluoto), "Technoeconomics or digital economics" (B. Gates), "knowledge-based economics" (D. Tapscott) [8].

Interest in the digital economy has grown significantly due to the significant changes that have occurred in society and the economy. Modern technologies and platforms have helped businesses and individuals cut costs at the expense of minimizing personal communication with customers, partners and government organizations, as well as providing an opportunity to facilitate interaction more quickly and easily.

RESEARCH METHODOLOGY

The research process explored the role and importance of digital economy in business development, models of digital economy in business and methods of their effective use, companies using digital economy in the world and their role in improving digital economy in their activities. In the process of forming the article, methods of observation and selection, scientific-theoretical, empirical observation were used. The reliability of the results of the study is explained by the use of foreign and national statistical official sources used in the study.

ANALYSIS AND RESULTS

Many programs of the digital economy of different countries (USA, Austria, Australia, England, etc.) paid special attention to such social directions as "digital medicine" and "Smart City"[9]. The implementation of these social strategies requires different plans and certain challenges [9]. The digital economy is the basis for the modernization of traditional production networks and services, the organization of relevant financial operations, the end penetration of Information Technology and the digitization of economic processes, the change in consumer composition, the formation of new markets and new market conditions [9]. As well as new approaches to forecasting and management decisions, the digital economy opens up new opportunities for Business [9]. In order to live and develop in a new environment, companies need to radically reformulate business processes [9]. The digitization process affects all countries of the world today. In addition, each country independently sets the priorities for digital development. More than 15 countries are currently implementing National Digitization programs. The leading countries for the digitalization of the national economy are China, Singapore, New Zealand, South Korea and Denmark. China integrates the digital industry with traditional networks in its Internet plus program. Canada created an ICT centre in Toronto, Singapore shaped the "Smart Economy", South Korea developed human capital in the "Creative Economy" Program.

Big Data in digital economics, formed as a result of economic modernization, has become not only the technology of their analysis, but also one of the leading assets of the state, business and civil society [10]. In turn, digital space opens access to large amounts of data for many participants in the global economic space [10]. The development and implementation of technologies is of strategic importance [10]. The development of national programs for the development of a new generation of the economy, including data analysis and forecasting, the introduction of new management approaches, as well as the implementation of globalization and digital development programs of other participants of the world market, is an important element of the application of digital economy in business [10].

For business owners, it is important for consumers to understand what convenience the brand provides when offering services, communication and information completely online. Businesses that take advantage of the power of the digital economy provide this convenience to potential customers and current customers. Therefore, they are more likely to see growth and success.

With a closer connection to the general public, greater data collection and sales, and additional ways to achieve marketing goals, the digital economy has proven important. This change also ensured the following:

- ✓ Easy ways for businesses to interact with consumers.
- ✓ Pressure for enterprises to innovate with new products and services.
- ✓ Time-saving and efficient procedures for customer service, interaction and sales.

As the digital economy expanded into consumer life, it became an influence of the maintenance, sales and operations techniques and strategies of most businesses.

With the growing digital economy, e-commerce retail and digital services have been introduced in many areas. The Internet has become so widespread that it has become a common channel that businesses rely on to sell their brand, provide information and make transactions.

Subscription trading services that provide software or other online services through the digital commerce platform e-commerce sites are a popular way to attract consumers. The software as a service (SaaS) model has been a boon for businesses that want to move older systems and enjoy the efficiency and economy associated with modern technology. Isolated e-commerce sites should stand out from the crowd that has been competing for consumer attention online. Digital commercial enterprises had to adopt innovative procedures and products to attract these consumers.

With the continuous growth of the digital economy, enterprises were forced to develop new strategies and processes that encompass consumer research, interaction with companies, purchasing goods and services. E-commerce businesses were forced to improve their services and provide consumers with what they were looking for. As consumers change the way they shop and search for information, these businesses are forced to change their interactions with these consumers. In order for the number economy to be widely applied to business, business owners and businesses must focus on the following:

- Payment systems (Payment systems): businesses must employ digital payment systems aimed at customer convenience. With subscription billing, customers are regularly billed for fixed services. The digital economy makes it easier for these customers to receive their products, seek help, and pay monthly subscription fees. Automatic billing and various payment options make it easier and more likely for customers to purchase goods and services online.
- Marketing campaigns (Marketing campaigns): advertising on bulletin boards may have been sufficient to affect business in the past. However, in the digital economy, these companies need to focus on search engines, social media, email campaigns, and other online marketing strategies to reach customers where they are.
- Big Data (Big data): with more online engagement, businesses are able to collect big data about their customers, shopping patterns and participation. With this data, businesses can improve their processes, better understand which products and services their customers are looking for, and provide an updated customer experience based on what they know.
- Machine learning(Machine learning): big data is effectively used by machine learning. With the help of algorithms and automated processes that analyze the collected data, enterprises gain knowledge of how they can change their current processes in order to attract more customers and please existing customers.
- Artificial intelligence (Artificial intelligence): chatbots, interactive online commercial platforms and other forms of artificial intelligence are also crucial in the growing digital economy. These changes ensure that visitors and online shopkeepers find what they are looking for and receive the service they expect, even without human involvement.

The digital economy continues to grow and the survival of the business depends on its willingness to embrace this online space. Businesses must analyze their marketing plans, processes, and procedures so that they can meet consumers online and provide them with the information and experiences they expect.

The main signs of the digital economy are high level of automation, the availability of qualitative implementation of electronic document exchange, electronic integration of accounting, auditing and management systems, the presence of electronic databases of data, CRM (customer interaction system), the presence of various corporate networks [11]. Its amenities include a reduction in costs for various payments (for example, a trip to the bank and other resources are saved), with a lot of operational information about goods and services, an expansion of opportunities to bring them to the World Market [11]. Let's comment on what is the difference between the digital economy and the traditional one. For example, a buyer needs some type of product or service [11]. It would be a traditional economy if it fell into the market and chose it itself directly and bought it for cash [11].

CONCLUSION

In place of the conclusion, it should be noted that as a result of the introduction of digital technologies into the sectors of the economy, they have a number of advantages, which are expressed in the following: as a result of the automation of the activities of enterprises and the achievement of complete digitization of the process, competitive products are produced, efficient and economical use of

The fact that the process of digitization in business enterprises can also lead to possible losses in terms of its own characteristics, the need for financial resources and conditional infrastructure, especially at enterprises operating in a developing country such as Uzbekistan, it is important to properly plan this process, correctly formulate a digital transformation strategy, plan this process in the appropriate state

Therefore, for the implementation of digital technologies in business at enterprises, the following are proposed:

1. Having a team of highly qualified workers with the necessary competence in the labor process;
2. Development of a set of methods, methods and measures that allow you to most effectively harmonize with innovative means and objects of labor, taking into account the current conditions and time;
3. It is necessary to establish active cooperation with interested organizations and enterprises, specialized higher education institutions, vocational schools, due to the need to increase the pace of digital technology production.

The effectiveness of the use of digital technology in the digital economy and business shows that at the same time it is developing in a wide range of industries and is usually not built by a limited number of companies, even if they are given special powers and resources. Therefore, the main role in the use of digital technologies in digital economy and business should be occupied by private business with a strong entrepreneurial and innovative approach, and the state will create infrastructure and conditions for private initiative.

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