

THE ROLE OF NEW TRENDS AND TECHNOLOGIES IN THE DIGITIZATION OF BUSINESS ENTITIES IN UZBEKISTAN

Raxmonqulov Abdurauf Musurmonqul ugli

Student of the Higher School of Business and Entrepreneurship,

Specializing in MBA - Global Management

Under the Cabinet of Ministers of the Republic of Uzbekistan

gulcityabduxaker8@gmail.com

Abstract

This article examines the transformative impact of digital technologies on entrepreneurship, highlighting how innovations in technology have changed business models, market access, and operational efficiency for entrepreneurs. By analyzing a variety of digital tools and platforms, the study reveals ways in which these technologies can lower barriers to entry for new businesses, facilitate customer acquisition, and improve data-driven decision-making. The article also examines the challenges entrepreneurs face in adapting to rapid technological change, including cybersecurity challenges and the need for continuous learning.

Keywords: Entrepreneurship, digitalization, digital technologies, economics.

Introduction

In recent years, Uzbekistan has made significant strides towards the digitalization of its economy, driven by new trends and technologies. The transition from traditional business models to digital frameworks has enabled organizations in the country to enhance operational efficiency, improve customer experiences, and foster innovation. As the government actively promotes a digital economy through various initiatives, businesses are compelled to adapt to the emerging landscape shaped by digital tools and platforms. This article explores how these new trends and technologies are transforming business entities in Uzbekistan.

MAIN PART

The rapid advancement of information and communication technologies (ICT) has been a fundamental driver of digitization across the globe, and Uzbekistan is no exception. The proliferation of high-speed internet access and mobile connectivity has laid the groundwork for digital transformation. With the increasing penetration of smartphones and other connected devices, Uzbek businesses are beginning to recognize the immense potential of going digital. This connectivity facilitates new business models, allowing companies to reach broader markets and offer services and products more efficiently.



One of the key trends in the digitization process is the rise of e-commerce in Uzbekistan. The convergence of digital platforms and changing consumer behaviors has led to a surge in online shopping. This shift has also been accelerated by the COVID-19 pandemic, which forced many businesses to adopt online sales channels. Local entrepreneurs and retailers are now leveraging various e-commerce platforms to enhance their visibility and accessibility. The growing preference for online purchasing among consumers is reshaping the retail landscape, presenting opportunities for businesses to innovate in their marketing and operational strategies. Artificial intelligence (AI) and machine learning are also playing pivotal roles in the digitization journey of business entities in Uzbekistan. Companies are increasingly utilizing AI-driven technologies to streamline operations, improve decision-making, and enhance customer service. For instance, businesses are employing chatbots and virtual assistants to handle customer inquiries, thus improving response times and customer satisfaction. Furthermore, data analytics powered by AI allows organizations to gain insights from vast amounts of data, enabling them to understand customer preferences and market trends better. In recent years, Uzbekistan has been actively implementing a strategy called "Digital Uzbekistan 2030". This 15-page document is a ten-year action plan aimed at creating a modern and efficient digital infrastructure. It's main goal is to ensure sustainable economic development and improve the quality of life of the population.¹

The plan includes more than 220 priority projects covering various fields, from education and healthcare to financial services and public administration. The implementation of these projects will significantly increase the level of digitalization in the country.

As part of digitalization, important tasks were set for Uzbekistan. One of them was the creation of the Digital Trust Foundation. His goal was to attract investments in digital economy projects, including those related to blockchain technologies.

However, it was subsequently decided to liquidate this fund and transfer its functions to the National Agency for Project Management. This indicates a desire to find more effective ways to manage and implement innovations.

The success of digitalization in Uzbekistan can be seen in a number of impressive indicators. Thus, the number of digital public services provided through the Unified Portal of Interactive Public Services (EPIG) has increased by more than three and a half times. This suggests that citizens have become faster and easier to receive the services they need.

In addition, the number of online banking users in Uzbekistan has reached 34 million people. This indicates the rapid development of financial technologies and increased confidence in digital platforms.

One of the key success factors is the growth of IT services exports, which increased 50 times and reached 40 million US dollars. This not only demonstrates the demand for Uzbek IT services abroad, but also reflects the overall positive trend in the development of domestic IT companies.²

¹ Алимова, С. Г. (2022). ГЛОБАЛЬНАЯ ПРОБЛЕМА СТРАН С НИЗКИМ УРОВНЕМ ДОХОДА. Academic research in educational sciences, (2), 88-90.

² Melieva, G., Namuna, A., & Shakhriyor, A. (2022). THE ROLE OF HEALTH INSURANCE IN THE ECONOMY OF THE REPUBLIC OF UZBEKISTAN. European journal of economics and management sciences, (3), 56-60.



It is also worth noting the significant progress in the field of Internet connectivity. In 2023, according to international rankings, Uzbekistan ranked 131st in terms of broadband Internet speed, ahead of other Central Asian countries and showing a noticeable increase of 24 positions compared to the previous year.

Uzbekistan is actively implementing digital technologies, creating conditions for the transition to a new digital economy. This process includes a whole range of measures aimed at integrating digital technologies into various industries and spheres of life. Regular investments in technological infrastructure contribute to improving the efficiency of public services, the development of e-commerce and digital entrepreneurship.

The development of human capital plays an important role in the process of digital transformation. In Uzbekistan, considerable attention is paid to the training of IT specialists and improving the computer literacy of the population. Special attention is paid to young people and students, for whom educational programs are being developed and specialized centers for the study of information technology are being opened.³

Cloud computing is another transformative technology that is reshaping the business environment in Uzbekistan. It allows organizations to access resources and applications via the internet, eliminating the need for extensive physical infrastructure. Small and medium-sized enterprises (SMEs) particularly benefit from cloud solutions, as they can have access to enterprise-grade software without the heavy associated costs. This scalability and flexibility promote innovation and enable businesses to adapt quickly to changing market conditions. Moreover, the adoption of financial technologies, or fintech, is revolutionizing the financial landscape in Uzbekistan. Digital payment systems and mobile banking applications are gaining popularity, making transactions more accessible and efficient for both businesses and consumers. Financial inclusivity is increasingly becoming a reality, as startups and established companies alike provide solutions that facilitate secure and convenient payment methods. This trend is not only boosting e-commerce growth but also improving overall economic participation among the population.

In parallel, the government of Uzbekistan is actively fostering an environment conducive to digital transformation. By implementing policies that support digital entrepreneurship and technological adoption, the state is encouraging businesses to embrace new trends. Initiatives such as the "Digital Uzbekistan 2030" strategy emphasize investment in digital infrastructure and the development of a skilled workforce in ICT. These efforts are crucial in ensuring that businesses possess the required expertise to navigate the digital landscape effectively.⁴

However, the journey toward digitalization is not without its challenges. Many businesses in Uzbekistan face obstacles such as a lack of digital literacy, limited access to advanced technology, and concerns over cybersecurity. Addressing these challenges requires a concerted effort from both the government and private sector. Investing in training and development programs for employees can help bridge the digital skills gap and empower them to fully utilize

³ Korablin, M. N., Kosov, P. N., Kiritsa, A. A., & Chutcheva, Y. V. (2024). ESG-Principles in the Practice of Sustainable Economic Development. In *Sustainable Development of the Agrarian Economy Based on Digital Technologies and Smart Innovations* (pp. 217-222). Cham: Springer Nature Switzerland.

⁴ Saydulloyeva, S. (2024). THE VIRTUE OF KNOWLEDGE AND ITS ESSENCE IN HADITHS. *International Journal of Education, Social Science & Humanities*, 12(3), 469-471.



the available technologies. Furthermore, organizations must adopt robust cybersecurity measures to protect their data and maintain customer trust.⁵

The collaboration between academia, industry, and government entities is essential for a successful digitization process. Educational institutions play a vital role in equipping the future workforce with the requisite digital skills and knowledge. Partnerships between universities and businesses can foster innovation by facilitating research and development in emerging technologies. This collaborative approach ensures that Uzbekistan's digital economy is anchored in a strong foundation of innovation and expertise.

CONCLUSION

In conclusion, the digitalization of business entities in Uzbekistan is being driven by new trends and technologies that are transforming how organizations operate and engage with customers. E-commerce, AI, cloud computing, and fintech are reshaping the business landscape, providing both opportunities and challenges. With the government's support and a focus on developing a skilled workforce, Uzbekistan has the potential to create a robust digital economy that can compete on a global scale. As businesses continue to embrace digital transformation, they must remain agile and adaptive to leverage the full potential of these emerging trends and technologies. The future of business in Uzbekistan is undoubtedly digital, paving the way for sustained growth and innovation.

REFERENCES

1. Stankevich, G. V., Orlova, N. A., Litvishko, O. M., Shiryayeva, T. A., & Grigorova, K. S. (2023). Corporate Social Responsibility in the System of Implementing the ESG Strategy Principles. In *ESG Management of the Development of the Green Economy in Central Asia* (pp. 199-206). Cham: Springer International Publishing.
2. Idziak, E., & Bojar-Fijałkowski, T. (2024). Implementation of ESG Principles-Legal and Economic Approach. In VI. INTERNATIONAL SCIENTIFIC CONFERENCE OF ECONOMICS AND MANAGEMENT RESEARCHERS VI. İQTİSADİYYAT VƏ İDARƏETMƏ (p. 144).
3. Алимова, С. Г. (2022). ГЛОБАЛЬНАЯ ПРОБЛЕМА СТРАН С НИЗКИМ УРОВНЕМ ДОХОДА. *Academic research in educational sciences*, (2), 88-90.
4. Алимова, С. Г., Мелиева, Г., & Касымов, Н. (2022). ОСОБЕННОСТИ НАЛОГООБЛОЖЕНИЯ ДОХОДОВ СТРАХОВОЙ ОРГАНИЗАЦИИ. *ЖУРНАЛ ИННОВАЦИИ В ЭКОНОМИКЕ*, 5(4).
5. Moilanen, T., & Rainisto, S. K. (2009). *How to brand nations, cities and destinations*. London: Palgrave Macmillan UK.
6. Gaffarovna, K. D. (2023). ADVANTAGES AND DISADVANTAGES OF USING DIGITAL LITERACY. *INTERNATIONAL JOURNAL OF SOCIAL SCIENCE & INTERDISCIPLINARY RESEARCH* ISSN: 2277-3630 Impact factor: 8.036, 12, 42-43.

⁵ Idziak, E., & Bojar-Fijałkowski, T. (2024). Implementation of ESG Principles-Legal and Economic Approach. In VI. INTERNATIONAL SCIENTIFIC CONFERENCE OF ECONOMICS AND MANAGEMENT RESEARCHERS VI. İQTİSADİYYAT VƏ İDARƏETMƏ (p. 144).



7. Алимова, С. Г., Абдурахманов, Ш., & Алимов, Б. К. (2023). Пути Внедрения Медицинского Страхования В Узбекистане. *Periodica Journal of Modern Philosophy, Social Sciences and Humanities*, 15, 26-30.
8. Алимова, С. Г. (2022). РАЗВИТИЕ ЭКОНОМИЧЕСКОГО МИРОВОЗЗРЕНИЯ В ТРУДАХ АЛЬБЕРУНИ. *Academic research in educational sciences*, (3), 216-218.
9. Melieva, G., Namuna, A., & Shakhriyor, A. (2022). THE ROLE OF HEALTH INSURANCE IN THE ECONOMY OF THE REPUBLIC OF UZBEKISTAN. *European journal of economics and management sciences*, (3), 56-60.
10. Алимова, С. Г., Мелиева, Г., Фарина, М., & Абдурахимов, Ш. (2022). ЭТИЧЕСКИЕ ВОПРОСЫ В ПЕРИОД ПАНДЕМИИ COVID-19 И ЭКОНОМИКА УЗБЕКИСТАНА. *Academic research in educational sciences*, (1), 152-155.
11. Saydulloyeva, S. (2024). THE VIRTUE OF KNOWLEDGE AND ITS ESSENCE IN HADITHS. *International Journal of Education, Social Science & Humanities*, 12(3), 469-471.
12. Джумашев, А. М. (2008). Национально-освободительное движение: теоретическое осмысление на примере истории Каракалпакстана. *Вестник Бурятского государственного университета*, (7), 43-46.
13. Алимова, С. Г. (2018). АКТУАЛЬНЫЕ ПРОБЛЕМЫ И ИХ РЕШЕНИЯ В МЕЖДУНАРОДНОЙ ТРАНСПОРТНОЙ ЛОГИСТИКЕ. *Интернаука*, (1), 25-26.
14. Korablin, M. N., Kosov, P. N., Kiritsa, A. A., & Chutcheva, Y. V. (2024). ESG-Principles in the Practice of Sustainable Economic Development. In *Sustainable Development of the Agrarian Economy Based on Digital Technologies and Smart Innovations* (pp. 217-222). Cham: Springer Nature Switzerland.

