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THE ROLE OF E-COMMERCE IN BUSINESS DEVELOPMENT

The rapid development of electronic data exchange and the global Internet are radically changing the ways of conducting foreign trade operations. Electronic space offers companies a new marketing tool and environment for conducting business, a means of reducing costs for communication with customers. The latter, in turn, received a new source of information about goods and services, new ways to satisfy their needs, as well as a new effective means of communication, both with manufacturers and among themselves. Business entities that were the first to use the global network for conducting electronic commerce received a number of competitive advantages.

The peculiarities of electronic commerce (E-commerce) have been studied by such domestic and foreign researchers as V. Apopiy, U. Balyk, I. Burachek, V. Zvass, G. Duncan, K. Kendall, D. Kozier, N. Kryvosheeva, S. Malovychko, E. Mels, I. Plotnichenko, V. Polyakh, N. Tyagunova, L. Filippova, N. Chuyko, O. Sharapova, etc.

The Internet makes it possible to save a lot of time and money in corporate procurement. No other business model has been able to emphasize the need for close integration between producers, suppliers and distributors. Increasing the speed of this chain through the by using the opportunities offered by the Internet, significantly increases the efficiency of business efficiency.

E-commerce is a relationship aimed at making a profit arising from transactions for the acquisition, modification or termination of civil rights and obligations carried out remotely using information and telecommunication systems, as a result of which the participants in such relations have rights and obligations of a property nature [1]. The components of e-commerce include: electronic information exchange, electronic capital flow, electronic money, electronic marketing, electronic banking, electronic insurance services, etc.

E-commerce is defined as appropriate forms of business transactions in which the interaction of the parties is carried out electronically instead of physical exchange or direct physical contact, as a result of which ownership or the right to use a product or service is transferred from one person to another. The payment method does not matter: payments for the purchase can even be made in cash.

The subjects of e-commerce are:

- consumers-individuals (C-consumer);

- business organizations (B-business);
- government agencies (G-government, sometimes A-administration);
- financial institutions that provide settlements between other e-commerce entities.

The main advantages of e-commerce are global scale, time of business around the clock 365 days a year, personalization, fast of goods to the market, and automation. For a successful start in this area, you need original ideas that are in demand by consumers.

The development of e-commerce has a positive impact on both the activities of business entities and the country's economy as a whole (Table 1).

For businesses, e-commerce offers both opportunities and risks. The use of online and mobile channels can allow a seller to reach more potential customers (both consumers and businesses) in a more targeted manner, and sometimes at a lower cost, than through traditional channels. Meanwhile, suppliers that rely more (or entirely) on e-commerce can reduce investment in physical infrastructure in high-cost locations. And finally, there may be ways to reduce shipping costs (especially for digital products) and use innovative ways to deliver physical products through dedicated e-fulfillment services [3].

Table 1. – Positive effects e-commerce on the development of the national economy

<i>for business entities</i>	<i>for the national economy as a whole</i>
<ul style="list-style-type: none"> - the ability to enter international markets; - cost savings in the sale of goods; - expanding the range of goods and services that are difficult to find in a real store; - the ability to use a wide range of goods and services when selling; - the ability to combine e-commerce with the work of real stores; - the ability to sell additional, related products; - the ability to change the format of customer service, increase customer confidence and ensure the quality of products and goods. 	<ul style="list-style-type: none"> - development of foreign economic activity and involvement of the state in the global economy; - creation of new jobs; - development of the financial services sector through the active use of non-cash payments; - development of related sectors of the national economy (postal services, information and communication services); - formation of innovations that are actively used in a large number of sectors and industries and contribute to their development; - increasing the competitiveness of the national economy.

The main well-known e-commerce models are:

- B2B (business-to-business) - inter-corporate interaction between legal entities;

- B2C (business-to-consumer) - interaction between legal entities and end consumers regarding the sale of goods and services;

- C2C (consumer-to-consumer) - a special type of interaction between end consumers regarding the online purchase and sale of goods and services, mostly through online platforms and auctions;

- B2G (business-to-government) is the interaction of business entities and government organizations in the direction of concluding agreements on the purchase and sale of goods and services and the performance of works [4].

E-commerce is relatively easy to implement, as it involves only three types of integration: vertical integration - creating a website with the ability to conduct transactions, business integration - creating communication between the company and customers through convenient navigation, and virtual integration - through the development of new markets and technologies.

Online trading is one of the most dynamic markets and is one of the few segments of the economy that continue to grow and develop, despite the crisis, currency fluctuations and other problems the country has faced in recent years. E-commerce is becoming more and more even the most conservative entrepreneurs are beginning to pay attention to e-commerce in the context of doing business.

The top three most visited e-commerce sites in Ukraine include:

- OLX.ua (40.4% of users);
- Rozetka.com.ua (32.5%)
- Prom.ua (26.5%) [5].

Despite the various challenges that our country has faced in recent years, the most dynamic market that continues to grow and develop is online commerce.

Today, the digital economy is creating new products, shaping new needs, and the speed and volume of information is increasing every day. All these processes open up significant opportunities for creating and developing businesses based on new technological solutions or business models that have not been used before. E-commerce in Ukraine is developing quite steadily and this way of doing business generally has a positive effect on the activities of business entities.

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