

RETAIL TURNOVER IN THE DIGITAL ECONOMY SYSTEM

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Abstract: This article examines the impact of the digital economy on retail turnover. Key aspects of digitalization in retail are discussed, including online platforms, e-commerce, digital marketing and changing consumer behavior. We examine the challenges and opportunities that digital transformation poses for the retail sector, and propose strategies for optimizing retail turnover in the digital economy.

Key words: Retail turnover, digital economy, e-commerce, online platforms, digital marketing.

Аннотация: В данной статье исследуется влияние цифровой экономики на розничный товарооборот. Обсуждаются ключевые аспекты цифровизации в сфере розничной торговли, включая онлайн-платформы, электронную коммерцию, цифровой маркетинг и изменение потребительского поведения. Мы рассматриваем вызовы и возможности, которые представляет собой цифровая трансформация для розничного сектора, а также предлагаем стратегии для оптимизации розничного товарооборота в условиях цифровой экономики.

Ключевые слова: Розничный товарооборот, цифровая экономика, электронная коммерция, онлайн-платформы, цифровой маркетинг.

Introduction. Digital transformation in the modern world affects all areas of business, and the retail sector is no exception. With the rapid development of information technology and increasing online activity of consumers, retail trade is experiencing significant changes and challenges. These changes affect both the way products are sold and advertised and consumer preferences themselves.

Thinking about retail flow in the context of the digital economy introduces us to a world where technology plays a key role in shaping the shopping experience, determining the competitiveness of companies and managing data. Online platforms, e-commerce, social media and digital marketing are becoming an integral part of retail business, providing new opportunities and challenges for entrepreneurs.

In this introduction, we will focus on the significance of studying retail trade turnover in the digital economy and outline the key aspects that will be discussed in the article. We'll look at the impact of digital transformation on the retail sector and identify the challenges and opportunities this new digital landscape presents. Strategies and recommendations for optimizing retail turnover in the digital economy will also be proposed.

The purpose of this article is to analyze current trends in retail turnover under the influence of digital transformation and propose practical solutions for the effective management of retail operations in this context.

Main part. The retail sector is a key element of the economy, and digital transformation is bringing significant changes to its functioning. In this part of the article, we will look at the impact of the digital economy on retail turnover, identify the main trends and challenges facing retail companies, and propose strategies for optimizing retail operations in the digital economy.

- **Online platforms and e-commerce:** With the development of the Internet and mobile technologies, the popularity of online platforms and e-commerce is growing. Retailers are increasingly using online channels to sell their products and services, providing new opportunities to attract customers and expand the market. However, competition on online platforms is becoming increasingly fierce, and companies need to develop effective strategies to retain and attract customers.

- **Digital Marketing and Analytics:** Digital marketing is becoming an integral part of retail operations in the digital economy. With the help of digital tools, companies can conduct targeted advertising, analyze consumer behavior and improve their marketing strategies. However, to use digital marketing effectively, you must have access to quality data analytics and experts who can interpret this information and make informed decisions.

- **Changing consumer behavior:** Digital transformation is also influencing consumer behavior by changing the way people search and buy products. Consumers are increasingly using mobile devices to compare prices, read reviews and shop at retail stores. This requires retailers to adapt their strategies and provide customers with convenient and innovative services.

- **Cybersecurity and data protection:** As the volume of online transactions increases, so does the threat of cyber attacks and data breaches. Retailers must pay particular attention to cybersecurity and protecting their customers' personal information. This includes the use of secure payment systems, data encryption and security training for staff.

- **Personalization and improvement of customer experience:** In the digital economy, it is important to create a unique and personalized experience for each customer. Retailers can use consumer data to provide personalized offers and improve customer experiences. This helps retain customers and increase their loyalty to the brand.

In general, retail turnover in the digital economy presents both challenges and opportunities for retail companies. Those who use digital technologies wisely and adapt their business models to new realities will be able to win in the market and ensure their success in the future.

While researching the topic, we identified the following problems and expressed our scientific proposals to them, which include:

- ✚ **Cybersecurity and information security threats:**

In the retail industry, there is a risk of cyber-attacks, hacking of customer personal data and other incidents that may lead to loss of trust from customers and financial losses for the company.

Scientific solutions: Development and implementation of modern cybersecurity systems, data encryption, use of two-factor authentication mechanisms, training of personnel in security rules and implementation of information security standards.

✚ Competition with online platforms:

Traditional retailers face increasing competition from online platforms and e-commerce, which could result in lower sales and loss of market share.

Scientific solutions: Developing unique marketing and promotion strategies based on data analysis and consumer preferences, investing in improving user experience, diversifying the product range and creating our own online platforms.

✚ Changing consumer behavior:

Consumers are increasingly choosing to shop online, compare prices and read reviews before visiting retail stores, which can lead to reduced traffic and sales at physical locations.

Scientific solutions: Adaptation of marketing and sales strategies to the online format, creation of multifunctional stores with the possibility of online purchase and pickup, implementation of facial recognition technologies and smart analytics systems to attract and retain customers.

✚ Inefficient use of data:

Some retailers do not make full use of their customer and market data, which can result in under-targeted marketing campaigns and missed opportunities to increase sales.

Scientific solutions: Development and implementation of systems for collecting and analyzing customer data, using machine learning algorithms to identify behavioral patterns and predict customer preferences, creating personalized offers and promotions.

✚ Insufficient staff training:

Retail employees may not be digitally prepared, which can lead to ineffective use of tools and loss of competitiveness.

Scientific solutions: Conducting systematic training and retraining of personnel on issues of the digital economy, creating specialized educational programs and trainings, attracting external experts to advise and train employees.

Conclusions and offers. Retail trade in the digital economy plays a key role in modern business, being influenced by various factors, ranging from online platforms and digital marketing to changing consumer behavior and growing cybersecurity threats. During the analysis, we identified a number of problematic situations that retailers face in the digital economy and proposed scientific solutions to solve them.

Offers:

✚ Improved cybersecurity: Retailers should invest in modern cybersecurity systems, train staff on security procedures, and implement data encryption to protect customers' personal information.

✚ Adapt to online channels: Retailers must develop effective online strategies, invest in developing their own online platforms and use digital marketing to attract new customers.

✚ Customer Experience Innovation: Companies should strive to create unique and personalized customer experiences by offering innovative services such as

online ordering and curbside pickup, and use data to tailor their offerings to individual customer needs.

✚ Effective use of data: Retailers must actively use customer and market data to analyze trends, forecast demand and develop personalized marketing strategies.

✚ Staff training: Companies should invest in staff training on the digital economy and provide employees with access to specialized training and educational resources.

The implementation of these proposals will help retail companies adapt to the challenges of the digital economy, improve their competitiveness and ensure sustainable growth in the future.

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