

MODERN STATE AND DEVELOPMENT TRENDS OF TRADE SERVICES

Abdukadirova Nilufar Abdakhatovna

candidate of economic sciences, Samarkand institute of economics and service department of
“Economic analysis and statistics”,

E-mail: nilufarabdukadirova62@gmail.com

Mahmudova Oydin Nishon kizi

student of the faculty of “Accounting and management” at the Samarkand institute of economics
and service,

E-mail: oydinmakhmudova97@gmail.com

Abstract: This article presents a comprehensive, updated analysis of how the trade services sector is evolving under the pressures of globalization and rapid digital transformation. It explores the shifts occurring in retail and wholesale turnover, examines changes in the structure of trade enterprises, and studies the influence of electronic commerce on conventional business models. Additionally, the research identifies the main drivers of modernization in the trade infrastructure, including technological innovation, intensified market competition, and increasing consumer expectations. Special attention is given to state initiatives supporting entrepreneurship and innovation, which have accelerated the transformation of the trading industry. The findings of the study can be applied to improve business strategies and enhance regulatory policies in the trade sector.

Keywords: trade services; retail sector; wholesale sector; e-commerce; digital transformation; trade infrastructure; competitiveness; innovation; consumer behavior; economic growth.

Introduction.

Trade has historically played a central role in economic development, facilitating the movement of goods from producers to consumers and supporting the stability of national economies. In recent years, however, the sector has undergone significant restructuring driven by technological progress, global interconnectedness, and evolving consumer behavior. Modern trade services now extend far beyond basic transactions; they encompass logistics, marketing activities, electronic payment systems, customer support, and personalized service throughout the purchasing process.

Today’s trade environment is dynamic and continuously transforming. According to global analytical reports, retail trade worldwide surpassed 30 trillion USD in 2023, with online sales accounting for over 23% of total transactions—an impressive increase compared to less than 8% a decade earlier. Similar trends are observed in Central Asia, including Uzbekistan, where retail turnover in 2024 exceeded 420 trillion sums, marking an 8.5% annual increase. Over the past five years, the e-commerce market in Uzbekistan has expanded nearly fourfold, while cashless transactions have risen to 60%.

Main part.

Digitalization has become one of the most influential forces reshaping trade services. Online marketplaces, mobile commerce, big data analytics, and artificial intelligence have transformed traditional interaction models between sellers and buyers. To remain competitive, companies

must provide not only high-quality products but also fast delivery, secure payment methods, personalized offers, and convenient service channels.

Furthermore, the entrance of global retail platforms has intensified competition, requiring domestic firms to constantly upgrade their business strategies. Government programs supporting technological adoption, entrepreneurship, and advanced payment infrastructure are also contributing to the rapid modernization of the trade sector.

Nevertheless, the sphere continues to face challenges such as increased price competition, rising consumer expectations, the need for continuous technological upgrades, and cybersecurity threats. In addition, volatility in global supply chains has created uncertainty for businesses relying on imported goods. These challenges emphasize the importance of thoroughly analyzing current conditions and identifying new development strategies for trade services.

Despite progress in digitalization and market expansion, the trade services sector still faces several persistent issues:

1. Insufficient logistics and warehouse infrastructure

Infrastructure development remains uneven across regions. While large cities benefit from modern logistics centers, many areas still lack adequate storage facilities and reliable transport networks. This results in higher operational costs and slower delivery times.

2. Limited digital capacity among small and medium-sized enterprises (SMEs)

Many SMEs lack the financial and technological resources needed to integrate digital tools such as CRM systems, automated analytics, and AI-driven forecasting. As a result, they struggle to compete with technologically advanced companies.

3. Intensified price competition

Widespread access to online price comparison tools has encouraged price-driven competition, decreasing profit margins. To remain profitable, companies must invest in value-added services, loyalty programs, and customer experience improvements.

4. Shortage of skilled specialists

The growing demand for expertise in fields such as data analytics, e-commerce management, and supply chain optimization has led to a shortage of qualified personnel. Training institutions have not yet fully adapted to these needs.

5. Cybersecurity risks

The rise in online purchasing has increased the frequency of cyberattacks. Many businesses still rely on outdated protection systems, exposing customer data to security threats.

6. Instability of global supply chain.

Geopolitical tensions and rising transportation costs have disrupted supply chains. Import-dependent markets face price fluctuations and delivery delays.

7. Inadequate customer service quality

Many companies continue to use traditional service models, which do not meet modern expectations for speed, convenience, and personalization.

The trade services sector shows clear progress, yet its growth is limited by weak infrastructure, insufficient digital readiness, cybersecurity vulnerabilities, skilled labor shortages, and high market competition. Addressing these issues requires a systematic and coordinated approach.

Between 2023 and 2025, trade services have entered a new phase of transformation marked by digital innovation, shifting consumer preferences, and increasingly complex global market

conditions. To overcome existing challenges and sustain growth, businesses and policymakers should prioritize the following solutions:

- ✓ Upgrading logistics systems and building automated warehouse complexes
- ✓ Developing regional IT hubs and increasing SME access to digital technologies
- ✓ Expanding training programs in e-commerce, logistics, and data analytics
- ✓ Strengthening cybersecurity standards and promoting secure digital practices
- ✓ Supporting domestic production clusters to reduce dependency on imports
- ✓ Integrating AI tools into customer service to improve response times and personalization
- ✓ Providing tax incentives and financial support for companies adopting innovative solutions

These measures can significantly enhance trade efficiency, reduce operational costs, and strengthen the digital capabilities of businesses.

Conclusion.

The modern development of trade services is deeply interconnected with global digital trends, changing consumer expectations, and intensifying international competitiveness. The sector has rapidly adopted advanced technologies including big data, artificial intelligence, automated warehousing, and smart logistics systems. Despite these advancements, businesses continue to face barriers such as infrastructure limitations, workforce shortages, price pressures, and cybersecurity concerns.

Achieving sustainable growth requires coordinated efforts in improving logistics, expanding digital access for SMEs, strengthening education and training systems, and implementing supportive government policies. If these measures are applied consistently, the trade sector can significantly increase its efficiency, expand its digital presence, and build greater trust among consumers. By 2025, online sales may account for up to 30% of total retail turnover, logistics performance may improve substantially, and the competitiveness of national companies will be greatly strengthened.

References:

1. World Trade Organization (2024). World Trade Statistical Review.
2. World Bank (2023). Logistics Performance Index Report.
3. State Committee on Statistics of Uzbekistan (2024). Trade and Services Statistical Yearbook.
4. OECD (2024). Digital Trade in Emerging Markets.
5. International Trade Centre (2023). E-commerce Development in Emerging Economies.
6. Ministry of Employment of Uzbekistan (2024). Labor Market and Skills Demand Report.
7. Deloitte (2024). Global Retailing and Technology Transformation.
8. McKinsey & Company (2023). Future Trends in Retail Operations.
9. PwC (2024). Global Consumer Insights.
10. European Bank for Reconstruction and Development (2023). SME Digitalization in Central Asia.
11. ISO/IEC 27001 (2022). Information Security Management Standard.
12. Kearney (2024). Global Retail Development Index.
13. Ministry of Digital Technologies of Uzbekistan (2024). Digital Economy Strategy 2030.
14. Bain & Company (2023). Customer Experience Transformation in Retail.
15. Statista (2024). Global E-commerce Indicators 2015–2025.

