

## РОЗДІЛ 1. СВІТОВЕ ГОСПОДАРСТВО І МІЖНАРОДНІ ЕКОНОМІЧНІ ВІДНОСИНИ

### INTERNATIONAL TRADE AND ELECTRONIC COMMERCE IN THE PERIOD OF MODERN CHALLENGES

### МІЖНАРОДНА ТОРГІВЛЯ ТА ЕЛЕКТРОННА КОМЕРЦІЯ В ПЕРІОД СУЧАСНИХ ВИКЛИКІВ

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*The current trend in the development of the world community in the face of challenges and threats is the search for the most rational ways to increase the competitiveness of economies. Against the background of the pandemic and isolation, international trade is extremely important and dynamic as a form of the system of international relations and, at the same time, an instrument of integration and communication of states and economic entities. The paper systematizes the theoretical, scientific and practical achievements of foreign and domestic scientists on this issue, summarizes the role and importance of e-commerce from the standpoint of world experience. It also notes the prospects for growth of the electronic market of Ukraine against the background of current trends and challenges. The conclusions contain a vision of prospects and proposals for the development of e-commerce in Ukraine in order to strengthen the competitive position of the state in the European and world economic space.*

**Keywords:** competitiveness, international trade, e-commerce, Internet commerce, electronic retailing.

*Современным трендом развития мирового сообщества в условиях вызовов и*

*угроз является поиск наиболее рациональных путей роста конкурентоспособности экономик. На фоне пандемии и изоляции чрезвычайно важной и динамичной выступает международная торговля, как форма системы международных отношений и, одновременно, инструмент интеграционной коммуникации государств и субъектов хозяйственной деятельности. В работе систематизированы теоретические и научно-практические достижения зарубежных и отечественных ученых по данной проблематике, обобщенно роль и значение электронной торговли с позиций мирового опыта. Отмечается также о перспективах роста электронного рынка Украины на фоне современных тенденций и вызовов. Выводы содержат видение перспектив и предложения по развитию электронной коммерции в Украине с целью укрепления конкурентных позиций государства в европейском и мировом экономическом пространстве.*

**Ключевые слова:** конкурентоспособность, международная торговля, электронная коммерция, интернет-коммерция, электронная розничная торговля.

*Сучасним трендом розвитку світового суспільства в умовах викликів та загроз є пошук найбільш раціональних шляхів активації економічних процесів з метою поступального відновлення та зростання конкурентоспроможності економік в державах різних соціально-економічних типів. На тлі пандемії та ізоляції надзвичайно важливою та динамічною виступає міжнародна торгівля, як форма системи міжнародних відносин та, одночасно, інструмент інтеграційної комунікації держав і суб'єктів господарської діяльності. В роботі систематизовано теоретичні та науково-практичні досягнення зарубіжних і вітчизняних вчених з даної проблематики, узагальнено роль та значення електронної торгівлі з позицій світового досвіду. Проаналізовано економічні та суспільно-географічні чинники готовності країн до ведення електронного бізнесу; визначено категорії найбільш популярних товарів у світовій онлайн-торгівлі. Відзначено диверсифікований характер системи оплати в процесі здійснення електронної торгівлі, що сприяє її уніфікації. Виклики сучасного етапу доводять необхідність революційних змін в галузі інформаційних технологій, комунікаційних систем, що впливають на розвиток електронної торгівлі. Відповідно, в статті наголошується на важливості міжнародних законодавчих актів в сфері регулювання інтернет-торгівлі та інституційній підтримці відповідних міжнародних організацій. Зазначається також про перспективи зростання електронного ринку України на тлі сучасних тенденцій та викликів, що є позитивним кроком на шляху до активації міжнародних обмінів та подальшому розвитку інформаційно-комунікаційних систем і технологій забезпечення. Висновки містять бачення перспектив та пропозиції щодо розвитку електронної комерції в Україні з метою зміцнення конкурентних позицій держави в європейському та світовому економічному просторі. Корисним буде врахування засобів посилення електронної торгівлі в державах світу з урахуванням сучасних викликів, що має відобразитися на диверсифікованому розвитку електронної торгівлі України на основі зміцнення довіри споживача до інтернет-сегменту сучасного ринку.*

**Ключові слова:** конкурентоспроможність, міжнародна торгівля, електронна комерція, інтернет-комерція, електронна роздрібна торгівля.

**Formulation of the problem.** International trade at the present stage of development of the world economy is the main driver and powerful motivator in the system of international economic relations. This is an extremely dynamic form of IEA, which is largely due to the development of specialization and cooperation of production on an international scale, the abolition of many restrictions on the free movement of goods, and high rates of development of commodity overproduction in some countries. The

growth rate of international trade prevails in comparison with the general rate of economic development of the countries. At the same time, in the development of international trade, the processes of international competition, strengthening existing and the emergence of new tools of integration communication that promote the movement of goods and capital are intensifying. Thus, the purpose and objectives of the study concern a powerful "activator", which is online commerce or so-called e-commerce. Its use provides

businesses around the world with incredible opportunities to make money on the wave of demand. The modern world exists in the conditions of revolutionary changes in the field of information support of life, which transforms information technologies and communication systems into a strategically important vital value. The so-called “electronic economy” is emerging, which sets a fundamentally new dimension and strategic direction for the development of the trade sector, forming a new infrastructure of the service system [1; 2]. One of the most powerful segments of national economies in developed and developing countries is Internet commerce, which allows to significantly reduce the cost of production due to the loss of needs for maintenance of retail space, staff, purchase of appropriate equipment.

**Analysis of recent research and publications.**

World experience proves that for the stable development of the national economy it is necessary to ensure the optimal ratio between exports and imports, to support those segments of the service sector that have a significant impact on the formation of a competitive national economy. In modern research, competitiveness is often interpreted as the ability of an economic entity to adapt flexibly to changing internal and external conditions and its tendency to strengthen its own competitive position. Competitiveness is associated with the concept of relativity. Trends in the development of international trade in services in the context of global instability, the peculiarities of the formation and tools for regulating trade flows are actively studied within the WTO, IMF, UNCTAD and OECD. The scientific works of a large cohort of foreign scientists, including D. Jobber, I. Dumoulin, P. Kotler, D. Nayara, B. Render, K. Haxaver, and others, are also devoted to these problems. Patterns of development of Ukrainian foreign trade in services in the context of global trends were studied by domestic economists, in particular: R. Zablocka, Y. Kovalenko, A. Mazaraki, A. Melnyk, Y. Melnyk, A. Rumyantsev, V. Tipanov, T. Tsygankova and others. Some segments of foreign trade in tourist services were the subject of research by V. Zaitseva, A. Lytvyn (IT services), transport services – A. Malovichko, insurance services – L. Nechyporuk, telecommunications services – V. Tronko, outsourcing services – O. Rysovana and etc. With regard to information and methodological support for the analysis of international competitiveness of goods and services, it should be noted the scientific achievements of I. Honchar, G. Zayachkovskaya, I. Kalachova, M. Lesnikova, V. Mikhailov, B. Shlyu-sarchyk and others.

The study of theoretical and scientific applied aspects of e-commerce was carried out, in particular, by such foreign scientists as G. Duncan, W. Zwass, D. Cozier, A. Summer, L. Stewart, W. Triez, as well as domestic economists: V. Apopii, O. Bublichenko, V. Drachova, I. Dakhno, T. Dubovik, V. Kravets,

V. Pleskach, V. Sobolev, N. Tenytska, N. Tyagunova, O. Shaleva and others [4; 5]. Economic and geographical aspects of trade in Ukraine are initiated in the works by K. Vobly, O. Dibrova, V. Yurkivsky, V. Kutsenko. In the works of V.V. Apopii and V.M. Kravets, they examine in detail the main problems and prospects for the development of Internet commerce in Ukraine [5]. The research uses a system-structural approach, a number of general scientific methods, in particular, analytical and synthetic, inductive and deductive, method of comparison, statistical and descriptive methods. At the same time, the theory of the studied problem is at the intersection of the system of economic, sociological, economic and geographical knowledge, which allows a more objective understanding of the interdisciplinary nature of this scientific problem [2; 3]. Macroeconomic processes occurring in the world economy, international economic relations correlate with the interests of modern society, the problems of today and a number of challenges and threats (COVID-19). Against this background, the development of e-commerce in the world and in Ukraine looks like a phenomenon, however, quite natural. In the light of the world's destructive processes, the first positive developments are emerging, including e-commerce, which is of scientific interest in economic and socio-geographical research.

**Setting objectives.** The purpose of the presented research is to generalize theoretical and methodological approaches to the study of current trends in international trade and e-commerce. The importance of the task is to determine the role of e-commerce in the world and in Ukraine against the background of modern threats and pandemics.

**Presentation of the main research material.** In today's world, the development of e-business has a positive impact on the world economy, as it accelerates economic growth, reduces inflation, increases productivity and improves employment. E-commerce is most developed in countries with the highest level of readiness for e-business (the USA, Hong Kong, Singapore, the EU countries). The most popular product categories in the world of online commerce are clothing and footwear, home electronics and books, computers and accessories, software, cosmetics and perfumes, food, and baby products. E-commerce tools are telephone, electronic data exchange, Internet, electronic payment system, interactive television, PC, digital and electronic money, electronic data exchange, electronic signature [4, 5]. As you know, the readiness of countries to conduct e-business depends on a number of economic and socio-geographical factors: 1) the state of basic infrastructure and technologies, access to infrastructure, speed, prices, reliability, availability of equipment for Internet access, market information and telecommunication equipment); 2) access to the necessary infrastructure; 3) distribution and delivery channels;

4) the current level of use of the Internet by the private sector and business, 5) the availability of consulting services; 6) quality of human resources; 7) state regulation of electronic commerce, etc. [5].

The first e-commerce systems in their simplest form appeared in the 1960s in the United States and were used by transportation companies to order tickets and exchange information between transportation services before preparing for flights. For example, American Airlines introduced a system for automating the procedure for booking seats for flights [5]. Initially, e-commerce relied on communications that did not belong to the Internet and were characterized by the use of various autonomous standards. With the development of the Internet in the 1990s, a form of e-commerce emerged in the form of online stores, where users could order goods and services with payment by bank cards. The development of the Internet has led to a significant reduction in the cost of using e-commerce due to the low cost of information exchange. It also stimulated the further development of e-commerce, the structure of which determined the following levels of its purpose: Business-to-Business (B2B – Business-to-Business), Business-Consumer (B2C – Business-to-Customer) and others [4]. The payment system for e-commerce looks diversified in modern conditions. The first place among the desired methods of payment confidently holds such a method as the use of a bank card. In the CIS countries, cash payment upon receipt is in the lead. More than 30% of all online transactions are made using mobile devices, and this figure continues to grow. In the structure of e-commerce promotion channels it looks like this: in the first place – search marketing (SEO), the second place is occupied by contextual and media advertising, closes the top three such channels as price aggregators [5; 6]. Progress provides constant improvement and search for the most rational channels of communication.

Among the modern world-leading sites engaged in Internet commerce, the largest are:

1. Amazon. This Internet portal is considered the oldest, designed for online shopping. Its operation began in 1995. Amazon deals with a variety of new and used products, including appliances, books, clothing and even vehicles. Amazon is headquartered in Washington, D.C., however, it operates worldwide. The value of the company is estimated at about 35 billion USD.

2. eBay is next in importance after the Amazon online store; it is not only the largest website, but also an auction. Here you can buy new and used goods, as well as sell old things. eBay is estimated by experts to be worth about 10 billion USD. It is also one of the oldest online companies, launched in 1995.

3. Alibaba is a Chinese e-commerce company that started its work relatively recently (2007). It has millions in revenue and is among the top 100 websites in the world [4; 7].

These are the most important online and money-generating websites, where consumers from all over the world make purchases and sellers use resources to promote goods, increase customers and increase sales. Companies are the most visible competitors, although the ways of selling goods through eBay and Amazon and the methods of their activities differ significantly.

According to current forecasts, by the end of 2020, total sales of online stores worldwide could reach 2 trillion USD. Growth, compared to 2019, will be + 6%. China accounts for almost half of all e-commerce sales (47%). In monetary terms, this is about 900 billion USD. Thus, this country “will take first place in the world in terms of sales in e-commerce, overtaking the United States. The second largest regional market in e-commerce is North America. This year, sales in the United States and other countries in the region are projected at 423 billion USD, showing an increase of + 15.6%. The Asia-Pacific region is projected to remain the largest regional market for e-commerce, with an estimated turnover of 2.5 trillion USD to 2.7 trillion USD. By the end of 2020, the total sales of e-commerce in the world should double and reach 2 trillion USD. According to Eurostat experts, in the European Union, the online trade segment accounts for more than 15% of all retail sales in the B2C segment” [7; 8]. The key e-commerce country in Europe is the United Kingdom. The volume of online sales in the B2C sector is three times higher than in the second largest market in the EU (Germany). The leading platform is Amazon, which accounts for 54% of all sales.

The main organizations carrying out regulatory activities in the field of Internet commerce are: WTO, UNCITRAL, UNCTAD, WMO, OECD, EU, etc. The main international legislation in the field of regulation of Internet commerce is the Law “On Electronic Commerce”, the Declaration on Global E-Commerce, the Convention “On the Use of Electronic Communications in International Agreements” and others [5].

Despite the low level of Internet and business coverage at the beginning of the 21st century, computerization and increasing interest in the latest information technologies have led to the growth of the electronic market of Ukraine several times in a short period of time. The volume of the e-commerce market of Ukraine has a growing dynamics in line with global trends. The leaders of the Ukrainian e-commerce market in recent years are Rozetka, Allo, Fotos, Mobilluck, Foxtrot, Fotomag, Deshevshe, Comfy, Citrus, Eldorado, Sokol, and Foxmart. The undisputed leader is the online store Rozetka.ua (marketplace with 1.5 million items) which has won more than half of the electronic market of Ukraine [6; 7]. It is reported that compared to the previous reporting period, the number of online buyers of clothing, footwear, household chemicals, furniture and household goods, ready meals and food, automotive products,

construction materials and animal products has increased in Ukraine. It was in 2020 that there was a certain shift of emphasis in trade and increasing the influence of e-commerce. Ukrainian online shoppers in an interesting way reflect their commitment to online shopping by region: event – 24%; center – 24%; south – 16%; east – 13%; north – 12%; Kyiv – 11%. At the same time, the age category of buyers is important. Among them, most of the age group are 26-45 years old, and young people aged 16-25 are especially active. The level of income of the population is also indicated. In particular, the population with the income of 15-25 thousand UAH a month on a family gives preference in the order of smartphones, optics and spare parts for a car. At the same time, the population with an income of more than 25 thousand UAH a month per family buys goods from almost all categories. Monitoring the delivery of goods to the consumer represents among the most popular ways: receiving purchases by courier service – 35%; 18% used the courier service of the store, 10% visited the point of delivery of the online store for this purpose, 5% used the independent courier service and 4% – the post office and self-service terminal. So, as for Ukraine, until recently it was difficult to imagine a situation where a resident of a Ukrainian small town or village orders or sells goods online. However, with the development of payment systems, everyone has almost unlimited opportunities to access the Internet across the country. At the present stage, there is every reason to believe that the coronavirus pandemic will serve as an additional impetus for the development of online commerce. After all, in this situation, more and more people around the world are forced to buy online what they used to go to the store. Accustomed to shopping in one click, the population is unlikely to spend more time on it in the future. Therefore, we expect further growth of e-commerce both in Ukraine and in the world. According to the German statistical online portal Statista, by the end of 2021 the global e-commerce market will reach 4.9 trillion USD a year. According to analysts, the volume of online sales in the world in 2016–2019 grew by an average of 20% per year [1; 7]. At the same time, offline retail sales increased by 3.5% for the year. Given that this trend will continue (the challenges of 2020 confirm this), the volume of the global e-commerce market will exceed the volume of the traditional retail market by 2036.

**Conclusions.** 1) The development of e-commerce has significant potential in both national and foreign markets. This type of commercial activity not only allows start-ups to find their place in the market, but also helps bring the consumer closer to goods and services, which is the result of the best world experience. 2) In order to increase the competitiveness of domestic trade in world markets and the interest of foreign partners in cooperation it is necessary to: change the structure of exports and imports in the

direction of knowledge-intensive services, promote a mechanism for effective capitalization of intellectual potential and innovation institutions; give priority to the development of those market segments that have a significant impact on the process of forming a competitive national economy and increase its degree of involvement in global trends. 3) Competitive e-commerce is becoming one of the components of economic security of the country in today's challenges (pandemic, economic isolation) and will significantly strengthen the position of producers of goods and services in domestic and foreign markets. 4) One of the urgent tasks is to create an institutional environment conducive to the development of national service companies, their interaction with foreign multinational corporations and independent entry into the international market through a commercial presence. 5) The growth of the competitiveness of the national economy and the strengthening of Ukraine's foreign economic position are undeniably important in the context of its European choice. 6) Accordingly, e-commerce in the world and in Ukraine has significant prospects. The positive dynamics is explained by the increase in consumer confidence in the work of online stores, the impact of global trends, the growth of information and communication technologies and social challenges. It is one of the forms of international trade relations, which serves both to activate all modern international exchanges and to increase the competitiveness of economic trade entities and strengthen the trust and interaction of national economies of the world.

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