

The Importance and Development of Trade Services

U. Khudayberdiev¹

S. A. Babanazarova²

Abstract

the article describes the essence, significance and development of trade in services in subsequent years. The types of trading services, their problems and methods of their solution are highlighted.

Keywords: trade services, goods, food, non-food, trade enterprises, buyers.

¹ Associate Professor of SamIES, Ph.D

² Senior Lecturer at SamIES, PhD

Trade is one of the oldest types of services, and as society developed, its volumes expanded and its types increased. In the conditions of market relations, the importance of trade has increased and has become an important industry. The meaning and essence of trade lies in the fact that it is not only a process of exchange, i.e., the exchange of money for necessary goods, but also has a serious impact on various indicators of the economy.

First, the products produced find a buyer and are exchanged through trade services. So, the product will be sold if there is a demand for it, otherwise it will remain on the sales counter. This means that enterprises producing such goods will be forced to gradually curtail their activities. Only in the case of the sale of goods, the costs incurred for the production of these goods will be actually covered, and taxes will actually fall into the state budget. Participants will really benefit.

Secondly, the need of members of society, operators for the necessary goods is satisfied through trade services. Thus, the population will exchange their cash income for goods, meet the needs of the consumer, and the labor force will be restored. Enterprises have the necessary raw materials and continue their activities.

Thirdly, trade affects the standard of living of the population by advertising new products.

Fourth, merchants and affiliates must transfer cash without delay. Thus, trade affects the circulation of money and prevents inflation by ensuring the stability of the price level.

In the conditions of market relations, trade is privatized, mainly joint-stock companies, limited liability companies and many small branches of trade operate as individual entrepreneurs. The malls are called "Giper" Market", "Super Market", "Mini market". However, there were such names as "Food Products", "Non-Food Products", "Household Products". In recent years, many foreign words have been used, such as "Realtor", "Ttor", "Outsourcing", "Freelancer", "Coworking", and some of them are not clear to either specialists or laymen. There are also Uzbek words that mean the meaning of these foreign words. If foreign words are used in circulation at such a rate, in a few years Uzbek words may become foreign and fall out of circulation. This question should be left to specialists in the Uzbek language.

One of the main indicators of trade in services is the turnover. The volume of trade services, in contrast to trade turnover, is considered only as the total value of the difference between the purchase and sale prices of goods sold. The volume of trade services is increasing every year.

Table 1. Development of trade services in Uzbekistan in 2018-2022

Indicators	2018	2019	2020	2021	2022	2022 to 2018, in %
Volume of trade services (trillion sum)	39.7	48.7	57.6	72.5	88.9	224.0

As can be seen from the table, the volume of trade services is regularly increasing from year to year. Undoubtedly, the main reason for the increase in the volume of trade services is an increase in the income of the population and an increase in living standards. This means that the population consumes more and high-quality goods. Particularly more people buy goods for cultural purposes (TV sets, refrigerators, vacuum cleaners, air conditioners, etc.). At the same time, the increase in population has had a certain impact on the rise in prices. The above factors will continue to influence, and the volume of trade services will grow regularly.

But it should also be noted that as of January 1, 2023, the number of enterprises and organizations engaged in trading activities amounted to 182.9 thousand, of which 99.6% (182.2 thousand) are small businesses. The locations of these entities are small (some of them set aside

one room of their house for trading), and various goods, especially goods that cannot be stored in one place due to their composition, are stored nearby. Many trading enterprises sell in one place a wide range of food, non-food and household goods to meet the needs of the population. Most sellers do not know the chemical composition of the goods they sell, their properties and how household goods work. Therefore, it is necessary to specialize enterprises providing trade services. Sellers must complete short-term training courses (three-month vocational schools) and receive a certificate that gives them the right to sell these goods.

Nowadays, sales companies use different methods of customer service. Small businesses use a simple sales service method, that is, the buyer asks for the name of the product, the seller shows the product if it is in stock, and provides a price. The self-service method is more often used in large enterprises, i.e. in Supermarkets. In this case, the buyer chooses the product he needs from the goods placed on the shelves (because the same goods are collected and selected).

Samples of bulky goods, such as furniture and refrigerators, are placed on the sales floor. Such goods are sold by buyers on the basis of samples, and the goods are delivered to the buyer from a warehouse or other places. Currently, the sale of goods to order and via the Internet is becoming increasingly popular. Trade enterprises also provide customers with various additional services. Delivery of goods purchased by customers to their destination, installation and use of household and technical goods, etc. As a result of improving the living standards of the population, the volume of trade services will increase and their quality will continue to improve.

The basis of the correct organization of trade services is the creation of convenience for the consumer, faster finding of high-quality and necessary goods, improvement of the place of sale. These indicators are inextricably linked.

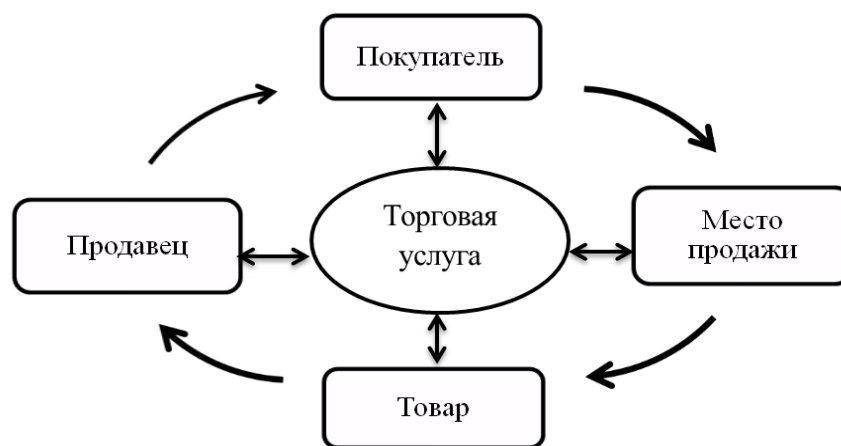


Figure 1. Integral chain of trade services.

The role of trade services is incomparable in the world. In 2022, the volume of world trade increased by 10% compared to 2021 (\$28.5 trillion) and amounted to \$32 trillion. The United Nations Conference on Trade and Development (UNC) said this was a record high despite deteriorating economic conditions and growing year-end uncertainty ¹.

¹ <https://kz.kursiv.media/2023-03-24/lgtm-worldtrade/>