

Section 5. Economics and Management

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THE IMPACT OF E-COMMERCE DEVELOPMENT IN AZERBAIJAN ON CONSUMER FOOD MARKET MANAGEMENT

Abstract. The article considers the impact of e-commerce on the management of the food consumption market, at the same time, the need to use e-commerce technologies in the food consumption market and issues of organizing an effective structure of e-commerce platforms.

Keywords: e-commerce, consumer, food, market, communication, technology.

Lack of effective laws to regulate processes and organise good governance in society, as well as the weakness of the executive authorities in the imple-

mentation of the adopted laws indicate a weakening of the influence of the system of state power. However, it should be noted that the weakness of official

state bodies does not mean that processes are not under control. In such cases, management is transferred to other structures, and in fact, the powers of the authorities are carried out according to unwritten laws and rules. This situation applies to all sectors of the economy and better reflects the situation in the food market. The e-commerce system allows its participants to fully use the services of buying and selling food. In fact, the e-commerce system acts as a tool for building a civilized market. One of the important issues is that this mechanism is also used in other countries, and in these countries have realised the importance and promising possibilities of using e-commerce in the full sense of the word. For this reason, the use of this system for the formation of effective food trade relations between regions and states will lead to serious achievements in the development of the country's economy in the literal sense of the word [2]. The system of e-commerce in food products should also develop in our country.

As the reasons for the need for the development of e-commerce in the food market, the following should be particularly noted [4]:

- Partner search and transferring payments into systems enables potential economic growth to be achieved electronically;
- State regulation and self-regulation of the regional wholesale market creates conditions for the absolute circulation of goods and finance and the formation of balanced market prices;
- Reduce budget expenditure when procuring goods for state and municipal needs;
- Increase in budget revenues in absolute figures;
- Creates an opportunity for organizations and entrepreneurs, as well as state and municipal entities to enter e-commerce on equal terms.

The purchase of food products ordered by the state through e-commerce will ensure the expeditious movement of goods in the country generally, and the efficient use of central national and regional budgets. In addition to the above mentioned, this will make

it possible to widely use information and communication technologies in the process of interaction between state bodies and business entities [3].

For these purposes, the creation of e-commerce will automate these processes in all executive authorities, reduce the costs of government customers during tenders, and also prevent cases of losses and abuse [1]. A unified set of hardware and software tools used in e-commerce has been created for government customers. According to our calculations, after the implementation of this system, budget savings amounted to 15%. Saving money has become possible mainly due to lower transportation costs and more efficient organization of trade turnover. The establishment of regional information centers, irrespective of the forms and ownership, will enable state structures and enterprises to more effectively use of e-commerce potential and market opportunities for the sale of goods and services.

Product manufacturers and consumers will have constant access to trade and marketing information, and at the same time they will be able to take advantage of advanced and cutting-edge technology in their daily work. E-commerce with food products creates new opportunities for businesses and organizations to improve their operations by changing their operations, creating a closer interaction with customers when buying and selling all sorts of goods and services [6]. Internet technologies allow you to use the advantages of e-business, realizing the possibility of participating in the work of electronic trading platforms.

E-commerce with foodstuffs lead to the following consequences:

- creation of new revenue channels by increasing sales volume;
- transaction and invoice costs are reduced;
- service improvement and full customer satisfaction;
- full repayment of investment costs and increase in income.

The Internet makes it possible to conduct business operations where it was previously impossible. Work-

ing around the clock, companies gain access to national and regional markets with greater speed and scale.

Placing an order via a marketplace is a more convenient form of trading for business partners. By selecting the product range required for delivery, the customer receives confirmation of their order immediately and has the opportunity to track its movement. Working through the e-commerce platform, partners can place orders for product delivery and shipment at the touch of a button.

As a result, electronic documents, delivery schedules and sales-related documents are prepared in the salesroom [5]. Errors as well as communication and telecommunication costs are reduced when documents are executed using traditional methods. Errors, as well as communication and telecommunication costs, are reduced when documents are executed using traditional methods.

Each manager establishes his or her own business relationships based on personal working hours, strengthens the company's market position and gains new opportunities and product distribution channels.

In our opinion, the main purpose of establishing an electronic trading platform in the Republic of Azerbaijan should be as follows:

- create a more efficient system for marketing agricultural products;
- ensuring the safety of food products;
- adjustment of prices for food products across economic districts;
- development of effective inter-regional relations for the purchase and sale of food products.

In this regard, an "Azexport" portal has been established by the decree of the President of the Azerbaijan Republic. Through this portal, national food consumers have the opportunity to export their goods to more than 100 countries [7]. The e-marketplace will allow participants to connect to an inter-regional food supply chain, and will also lead to increased revenues for the budget as a result of full transparency of transactions and their control [1]. Some modules (semi-systems) can be implemented

within the framework of the e-commerce platform, they perform additional, important functions. The billing subsystem is used by the operator and ETP (Electronic trading platform) participants, making calculations in the trading system itself, and also with counterparties of wholesale markets in exchange for various paid ETP services.

The information and analytical module is used for local news delivery and includes information from analytical and business news agencies. News profile, the trading party on the trading platform can submit an application independently, the movement of goods is managed automatically or by the trading platform administrator.

The module of analytics, statistics, forecast is based on the operational analysis of various data about the participants of the trading platform. Based on the synthesis of information, the module provides analytical information. It is worth noting that analytical information refers to the most popular product groups, average prices, regions and participants' activity on the trading platform. The search module is used to quickly find relevant information within the e-commerce platform. The "forum" module allows participants to receive information on current industry issues, news and events related to the electronic trading platform online.

Finally, the administrative module is designed to implement the function of accessing the system, setting system parameters and managing the system by users and clients. The module attracts attention as a tool for online shop operators.

The role of the relevant competent authorities of the Republic of Azerbaijan in the preparation and use of the platform for the purpose of food trade is as follows:

- Organising the work of electronic trading platform operators;
- Enabling food wholesalers to conclude trade deals;
- Organise the relationship with the regional administration;

- Identify the nomenclature of food items sold by section;
- Preparation of criteria determining the quality of products sold;
- Official involvement of retail warehouses of the electronic trading platform in transactions;
- Assistance in organising the certification of trading warehouses of electronic trading platforms;
- Accreditation of certified warehouses to use the above payment mechanisms.

Conclusion: The implementation of the possibility of Internet technology participation in electronic trading platforms makes it possible to take full advantage of e-business. The Internet makes it possible to trade in places where it was previously impossible to conduct sales. Operating around the clock, companies gain access to national and regional markets at greater speed and scale.

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