

THE IMPACT OF INFORMATION TECHNOLOGIES ON THE ADVANCEMENT OF TOURISM IN UZBEKISTAN

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ABSTRACT

Contemporary advancements in Internet technologies and the global information network are not merely expanding technical capabilities but also unlocking novel economic prospects. The evolution of communication technologies has facilitated the establishment of a worldwide electronic environment for conducting economic activities. This article delves into the role and progression of electronic commerce (e-commerce), assessing its potential both globally and within the specific context of the Republic of Uzbekistan. Statistical data from the reputable British marketing group PhoCusWright are analyzed to substantiate the discussion. It is highlighted that e-commerce in modern business is poised to revolutionize nearly every facet of commercial processes, positioning it as a pivotal force in shaping the emerging economic landscape.

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Введение

Introduction

In the dynamic landscape of today's economy, information technology stands as a cornerstone, shaping the trajectory of global economic evolution. The pervasive influence of digitalization is palpable, with the global economic fabric increasingly woven with electronic threads. The Internet, serving as the quintessential embodiment of cutting-edge information technologies, transcends mere technological advancement to become a symbolic representation of the contemporary world order, encapsulating new dimensions of political, social, and economic dynamics, and symbolizing the essence of modernity itself.

These emerging technologies not only revolutionize production methodologies but also redefine the paradigms of marketing and sales, offering unprecedented opportunities for efficiency and innovation. Moreover, the intricate interdependence fostered by information technologies facilitates seamless communication and collaboration among economic actors, spanning from individuals and households to corporations and governments. This enhanced connectivity and mutual understanding contribute synergistically to the advancement of collective welfare, driving socioeconomic progress and prosperity on a global scale.

Information and Communication Technology (ICT) has revolutionized the service industry, ushering in

significant conveniences and opportunities. One of the most conspicuous outcomes of this digital transformation is the rapid evolution of e-commerce. This encompasses modern online stores, robust payment systems, the seamless buying and selling of goods, and the provision of services via the Internet. Presently, two contrasting viewpoints dominate discussions surrounding network marketing and the Internet.

On one end of the spectrum are proponents who ardently believe that the future is intricately intertwined with the Internet. For them, network marketing thrives on effective communication, and the Internet stands as a potent tool in this regard. Its vast reach and instantaneous connectivity enable the efficient exploration and engagement of new business partners, transcending geographical barriers and expanding the horizons of opportunity.

E-commerce stands as a transformative force, capable of reshaping nearly every aspect of contemporary business operations, seamlessly integrating them into a cohesive whole. This dynamic form of commerce harnesses the full spectrum of technological innovations to propel its evolution and expansion. Enterprises across industries are increasingly venturing into e-commerce, leveraging the power of new information technologies to explore and tap into untapped markets.

The rapid advancement of information technologies has not only revolutionized e-commerce but has also spurred the growth of both freight and passenger transportation sectors. Through the utilization of remote access technologies, consumers can conveniently access a myriad of goods and services with minimal time investment. This accessibility not only enhances consumer satisfaction but also contributes to the optimization of delivery processes, resulting in heightened efficiency and scalability in the transportation of goods and provision of services. As a result, the landscape of commerce is undergoing a profound transformation, characterized by enhanced quality, scale, and accessibility.

Methods and objects

In the Republic of Uzbekistan, the development of e-commerce has been bolstered by the implementation of PP-3724, enacted on May 14, 2018. This policy directive signifies a pivotal step towards fostering the growth of electronic commerce within the country. As e-commerce continues to gain momentum, it has begun to unveil its immense potential as a driving force in the national economy. In concrete terms, statistics from the first quarter of 2018 highlight the burgeoning nature of e-commerce transactions, with a remarkable increase of 49.3% compared to the corresponding period in the previous year. During this timeframe alone, the total value of e-commerce transactions soared to an impressive 663.5 billion soums (equivalent to \$82,697 million).

Undoubtedly, the catalytic role played by government-led reforms cannot be overstated in propelling the advancement of e-commerce. A notable example of such reform initiatives is the establishment of the Electronic Commerce Association of Uzbekistan on February 12, 2018. This association assumes a pivotal role in galvanizing the growth of e-commerce by forging connections and partnerships with local authorities and management bodies. Moreover, it is entrusted with the responsibility of organizing training programs, targeted seminars, presentations, and conferences aimed at equipping stakeholders with the requisite knowledge and skills to thrive in the digital marketplace. Additionally, the association plays a crucial role in the resolution of disputes arising from civil relations through the organization of arbitration courts, thus fostering an environment conducive to the sustainable growth of e-commerce.

The advent of e-commerce has heralded a profound transformation in modern business practices, particularly within the realm of tourism. In an era characterized by widespread digitization and computerization, the landscape of tourism activities has undergone a paradigm shift, necessitating a fresh perspective on information processing.

Gone are the days when traditional methods sufficed for conducting tourism-related transactions. Today, the tourism industry is increasingly reliant on e-commerce platforms and digital technologies to

facilitate a myriad of processes, ranging from booking accommodations and purchasing tickets to arranging transportation and accessing destination information.

The digitization of tourism activities has ushered in a new era of convenience and efficiency for both travelers and businesses alike. Through e-commerce platforms, travelers can seamlessly browse, compare, and book a diverse array of travel services from the comfort of their homes or on-the-go via mobile devices. This shift towards online transactions has not only simplified the booking process but has also expanded the reach of tourism businesses, enabling them to tap into global markets and target a wider audience.

Moreover, the integration of e-commerce in tourism has revolutionized information processing within the industry. Data analytics and customer relationship management systems empower businesses to gain valuable insights into consumer behavior, preferences, and trends, enabling them to tailor their offerings to meet evolving demands effectively. Furthermore, e-commerce facilitates real-time communication between travelers and service providers, allowing for personalized interactions and seamless customer service throughout the travel journey.

In essence, e-commerce has redefined the way tourism activities are conducted, ushering in an era of digitalization, convenience, and enhanced customer experiences. As the tourism industry continues to evolve in the digital age, embracing innovative technologies and adopting a customer-centric approach to information processing will be paramount for businesses seeking to thrive in an increasingly competitive marketplace.

As one of the earliest adopters of the Internet, the travel industry has emerged as a prime example of successful and lucrative e-commerce applications. Within the e-tourism landscape, travelers are increasingly leveraging various online platforms to access a wealth of information, enabling them to plan their trips in a more informed, comprehensive, and personalized manner. Consequently, a vast repository of travel data has become readily accessible, presenting a golden opportunity for businesses to harness the power of data analytics techniques to unlock new avenues of enterprise potential.

This surge in online activity has led to the generation of vast volumes of travel-related data, encompassing everything from booking patterns and consumer preferences to destination trends and user reviews. For forward-thinking firms operating within the travel industry, this data represents a treasure trove of valuable insights waiting to be unlocked. By leveraging sophisticated data analytics techniques such as predictive modeling, machine learning, and sentiment analysis, businesses can extract actionable intelligence from this data to gain a deeper understanding of consumer behavior, identify emerging market trends, and optimize their offerings to better cater to evolving traveler demands.

Moreover, data-driven insights enable travel businesses to personalize their marketing efforts, enhance customer engagement, and deliver tailored experiences that resonate with individual travelers on a personal level. By leveraging data analytics, firms can segment their customer base, target specific demographics with relevant offers, and craft personalized recommendations based on past behaviours and preferences. This personalized approach not only fosters stronger customer loyalty and satisfaction but also drives increased conversion rates and revenue growth for businesses.

In essence, the convergence of e-commerce and tourism has ushered in a new era of opportunity and innovation for businesses operating within the travel industry. By embracing data analytics as a strategic imperative, firms can unlock the full potential of their data assets, gain a competitive edge in the marketplace, and deliver unparalleled value to travelers in an increasingly digital world.

Like other forms of e-commerce, the primary goal of e-tourism is also to comprehend and anticipate online shopping patterns to enhance the rate at which visits translate into purchases.

As it's widely known, even a slight enhancement in the conversion rate (CR) can result in significant

financial gains for companies. For instance, Ludwig S., De Ruyter K., Friedman M., Brüggem E. C., Wetzels M., Pfann G. (2013) posit that a mere 1% rise in CR has the potential to generate millions of dollars in sales revenue on platforms like Amazon.com.

Consequently, starting from July 15, 2019, as per the decree issued by President Sh. Mirziyoyev on July 4, titled "On further measures to optimize the procedure for the entry of foreign citizens into the Republic of Uzbekistan," an electronic entry visa processing and issuance system, E-VISA.UZ, was implemented in Uzbekistan.

According to the State Committee for Tourism's remarks on the innovations, "the implementation of the resolution will foster the expansion of inbound tourism, including transit and stopover visits, in Uzbekistan. This, in turn, will have a multiplier effect on various aspects of the economy, leading to enhancements in employment rates, production output, export figures, and increased investment inflows into the country's economy" (gazeta.uz).

As illustrated in Figure 1, there has been a remarkable increase in the number of tourists entering Uzbekistan under the simplified visa system. In comparison to the figures from 2018, the number of tourists surged by 1,402,295 individuals in 2019.

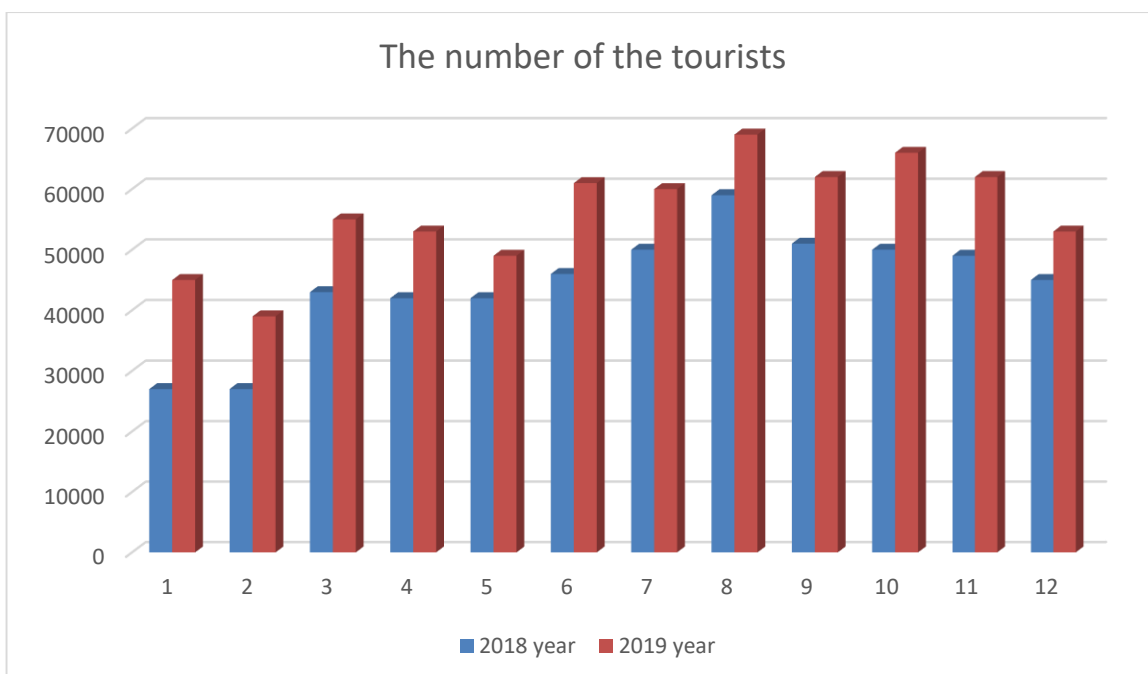


Figure 1-illustrates the trend in tourist visits to Uzbekistan from 2018 to 2019.

To ensure the efficient functioning of any contemporary tourism venture, it is imperative to embrace and integrate modern Information and Communication Technology (ICT) and Internet services. The ongoing development and enhancement of ICT within the tourism sector not only elevate the quality of tourism services but also stimulate an influx of foreign tourists and foster greater recognition of a country's tourism potential.

Presently, the internet serves as a rich repository of examples showcasing how the hotel and tourism industry addresses the challenge of acquiring information indirectly. Clients availing themselves of services from a particular company can effortlessly access and transmit the requisite information without undue delay, underscoring the seamlessness facilitated by modern digital platforms.

Results and discussion

Today, Uzbekistan boasts substantial tourism potential, rivaling some of the world's most sought-after destinations for leisure and travel. The country is home to over seven thousand distinctive historical

landmarks and awe-inspiring examples of unparalleled architecture. Take, for instance, the Republic of Karakalpakstan, which spans nearly a third of Uzbekistan's territory in the western region of the country.

Karakalpakstan is renowned as an open-air archaeological reserve (as depicted in Figure 2). Presently, it hosts over 300 archaeological sites, predominantly remnants from the ancient Khorezm civilization. Among the republic's notable landmarks stands the Karakalpak State Museum of Art, named after I. Savitsky. Renowned worldwide, its collection is so distinctive and exceptional that esteemed art historians and experts have likened it to the “Louvre in the desert”.

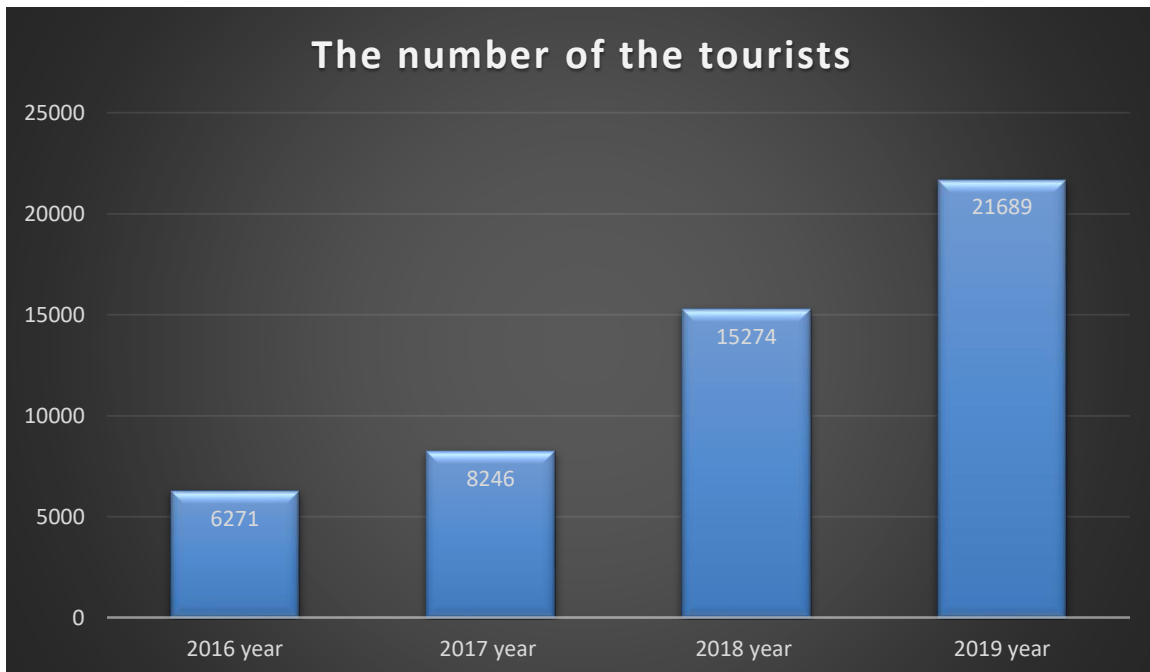


Figure 2 - illustrates the diagram depicting the number of tourists who visited the Republic of Karakalpakstan.

The global computer booking systems represent the most expansive and robust e-commerce networks, facilitating the booking and payment of a diverse array of socio-cultural services and tourism offerings. Emerging technologies are assuming a progressively vital role in travel-related transactions. As per the recent report from the National Observatory on Telecommunications and the Information Society, sales conducted through websites and applications accounted for 34.4% of total transactions. Notably, travel products rank among the most sought-after categories for online purchases, with hotel bookings leading as the primary product category and travel tickets ranking fourth.

Moreover, the advancement of information and communication technologies (ICT) heralds transformative shifts across various market sectors, including the realm of tourism. The widespread adoption of the Internet presents an unparalleled opportunity to propel the tourism industry forward, catalyzing its evolution and exerting a profound influence on consumer behavior across multiple facets.

Take, for instance, Booking.com, established in 1996 in Amsterdam, which stands as the world's largest travel platform catering to renowned brands and aspiring entrepreneurs alike. This platform serves as a catalyst for property owners worldwide, empowering them to attract guests and grow their businesses. With millions of options available, Booking.com offers guests a remarkable array of leisure activities, transportation services, and extraordinary accommodations, spanning from private residences to luxury hotels and beyond.

The Booking.com platform boasts translation into 43 languages, ensuring accessibility for users worldwide. With over 28 million accommodation units listed for booking, including a diverse range of

options such as houses, apartments, and unique properties, travelers are spoiled for choice. Whether one seeks accommodations for leisure or business, Booking.com offers unparalleled convenience. Furthermore, the company's round-the-clock support service ensures assistance is available whenever needed, underscoring their commitment to customer satisfaction (booking.com).

Therefore, hotels in Karakalpakstan also leverage the services provided by Booking.com. Figure 3 vividly illustrates the utilization of Booking.com in Karakalpakstan.

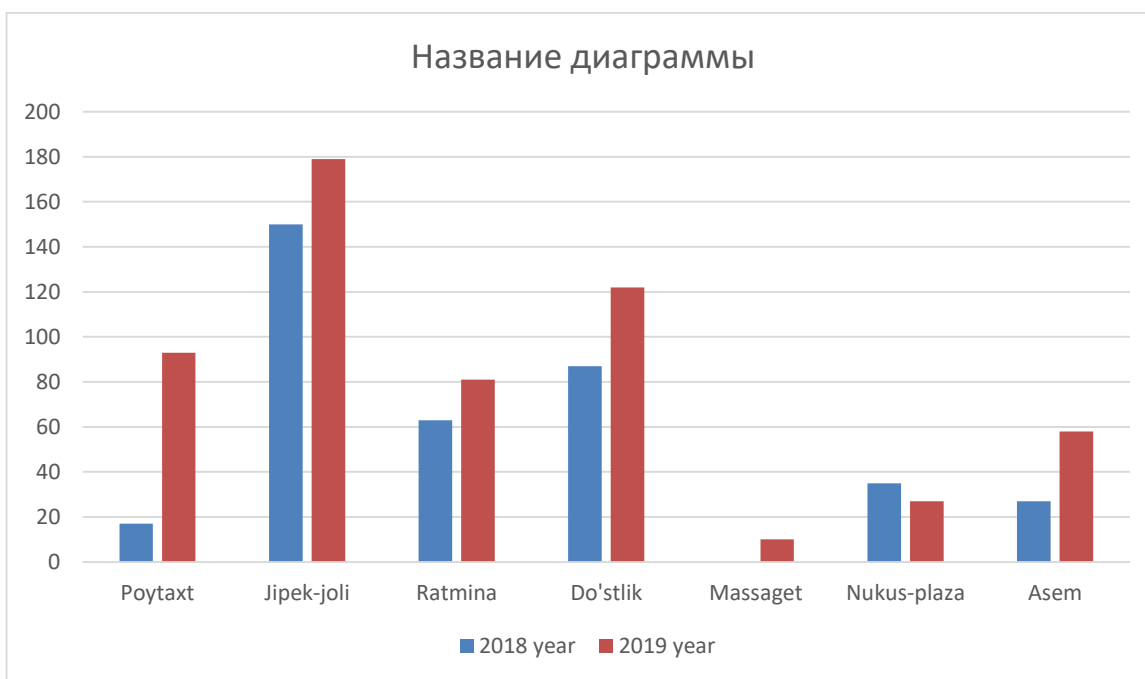


Figure 3. Booking via booking.com

The rapid development of the Internet is transforming the global tourism industry, creating challenges for many companies to keep up with the latest technologies. Although the benefits of e-commerce have not yet been fully assessed, some experts are skeptical about the role of travel agencies in the digital realm. However, in the USA and Western Europe, online travel activities are growing at a remarkable rate. Companies with websites or online booking systems gain access to highly effective marketing channels for promoting their services. Increasingly, travelers are using the Internet, including smartphones and mobile apps, to search for and book hotels. According to eMarketer, global online travel spending reached \$694.41 billion in 2018, a 10% increase from the previous year (hotel.report 2019). Online booking in Europe's largest markets, the UK and Germany, is projected to grow to approximately three times the overall market rate (PhoCusWright 2019). In 2016, the State Committee for Tourism launched the web portal www.uzbekistan.travel, which will eventually provide comprehensive information for travelers, including details on historical monuments, tourist sites, routes, history, geography, culture, and traditions. The portal is currently being revamped to meet market demands, with new sections being added, technical improvements being made, and optimization for mobile traffic.

The committee has also established pages on Facebook and other social networks, which helps to build a target audience and provide them with current information. This approach positively impacts the quality of specialized services [15]. To promote and raise awareness of Karakalpakstan's rich cultural and natural heritage [23, 24], the website www.karakalpakstan.travel was developed by the UNESCO Representative Office in Uzbekistan. This initiative is part of the Joint UN Program “Strengthening the Resilience of the Population Affected by the Aral Sea Crisis,” supported by the UN Trust Fund for

Human Security and in collaboration with the State Committee of the Republic of Uzbekistan for Tourism Development. As a result of this site, the number of tourists visiting Karakalpakstan in 2019 increased by 29.6% compared to 2018. This demonstrates the effectiveness of using ICT in the tourism sector to attract more tourists to our country.

Conclusions

The Republic of Uzbekistan is prioritizing the development of the information and communication technology (ICT) sector and its integration into the tourism industry. To maximize the economic benefits from tourism, the goal is to transform it into a strategic sector of the economy. Local tourism businesses are increasingly leveraging modern scientific and technological advancements in their operations. A key objective for the government is to increase the number of tourists to 7.5 million by the end of the year, as outlined in the President's address to the Oliy Majlis in 2020. The President highlighted that several reputable international publications have listed Uzbekistan as a must-visit destination for 2020. To capitalize on this attention and trust, it is essential to attract skilled professionals who can effectively utilize modern ICT in delivering tourism services. Given the tourism sector's priority status in the economy, it is crucial to fully digitalize this industry.

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