

## Reference

1. Digital transformation: online guide to digital business transformation [Electronic resource]. — Mode of access: <https://www.i-scoop.eu/digital-transformation/>. — Date of access: 28.02.2020.
2. Toward realization of the new economy and society – Reform of the economy and society by the deepening of «Society 5.0», April 19, 2016 // Japan Business Federation. — Mode of access: [http://www.keidanren.or.jp/en/policy/2016/029\\_outline.pdf](http://www.keidanren.or.jp/en/policy/2016/029_outline.pdf). — Date of access: 01.02.2020.
3. Стратегия развития информатизации в Республике Беларусь на 2016–2022 годы: одобр. постановлением коллегии М-ва связи и информатизации Респ. Беларусь, 30 сент. 2015 г., № 35 // ЭТАЛОН. Законодательство Республики Беларусь / Нац. Центр правовой информ. Респ. Беларусь. — Минск, 2020.
4. Об утверждении Государственной программы развития цифровой экономики и информационного общества на 2016–2020 годы : постановление Совета Министров Респ. Беларусь, 23 марта 2016 г., № 235 // ЭТАЛОН. Законодательство Республики Беларусь / Нац. центр правовой информ. Респ. Беларусь. — Минск, 2020.
5. О Декрете Президента Республики Беларусь от 21 декабря 2017 г. № 8 «О развитии цифровой экономики» : постановление Палаты представителей Национального собрания Респ. Беларусь, 14 июня 2018 г., № 263-П6/IV // ЭТАЛОН. Законодательство Республики Беларусь / Нац. центр правовой информ. Респ. Беларусь. — Минск, 2020.
6. О мерах по реализации Указа Президента Республики Беларусь от 31 января 2017 г. № 31 : постановление Совета Министров Респ. Беларусь, 29 апр. 2017 г., № 320 // ЭТАЛОН. Законодательство Республики Беларусь / Нац. центр правовой информ. Респ. Беларусь. — Минск, 2020.

УДК 332

V. A. Mastovich

*Belarussian national technical university, Minsk, Republic of Belarus*

## BUSINESS DEVELOPMENT IN THE DIGITAL ECONOMY

**Introduction.** Until recently, people have known almost nothing about digital technologies, but the digital revolution that has engulfed the world economy is developing at a rapid pace and today, people who have not heard of this concept at least once, are most likely not to exist any longer.

**Main part.** There are many concepts of “digital economy”. According to the classical approach, the digital economy should be understood as an economy that is based on digital technologies and characterizes the sphere of electronic goods and services. For example, distant learning, online shopping, networking etc. The extended approach defines the digital economy as the economic production and use of information and communication technologies. Payments for services and goods of the digital economy are often made in digital currency (electronic money).

The relevance of the topic is related to the fact that modern digital technologies are playing an increasing role in corporate management, gradually expanding their influence and capturing all sectors of the world economy one after another. Large-scale changes are taking place: “digitalization” (the use of digital technologies) and digital transformation (a radical change in business strategy and business processes under the influence of digitalization) are being actively implemented.

The main advantage of the digital economy over the traditional one is the possibility of automatic control of the entire system (or individual components), as well as its almost unlimited scaling without loss of efficiency, which can significantly improve the efficiency of economic management (economic activities and resources of the country in various industries) at micro and macro levels. According to experts, the digital revolution has already begun in small and medium-sized businesses. Many owners of small companies already use online technologies to develop their own businesses.

On the one hand, small businesses are forced to use elements of the digital economy in order to maintain an optimal level of competitiveness, on the other hand, they create conditions for the development of these elements themselves. Besides, in order to increase and maintain the level of competitiveness, they form new types of services, and expand into new markets. Thus, the following criteria for compliance with the digital economy appear in the business environment:

- use of innovative digital communication standards;
- use of online communications at work and provision of goods and services;
- searching for new methods of managing information and knowledge flows in digital systems.

Changes at the company level are certainly the foundation of ongoing digitalization. However, these changes must be supported at the macro level — in the system of public administration and legal regulation. Over the past decade, there have been significant changes in the system of electronic interaction between the state and business. For a systematic analysis of the achieved level and determining the development vector, it is necessary to identify the tasks that ensure cooperation between the state and business.

Belarus, as a country with a relatively high resource potential, should not refuse to participate in the global competition in the ICT market, as it has a number of competitive advantages. The dynamic growth of the Belarusian ICT

sector, as well as the country's export opportunities, supported by the development of R & d, has a high potential to increase the competitive capabilities of the Republic of Belarus on the world stage.

A significant place in the development of electronic services in the Republic of Belarus is given to state bodies' focus on improving the efficiency of performance, through the introduction of modern technologies as a factor in ensuring effective state management. For people, it is important that marketing is useful and personalized. Hence, the main task in the work of marketers is to constantly monitor and analyze the entire path from the desire to buy a product to the purchase.

Let's note the main factors that make the transition to new business processes are less complicated, costly, and risky. They include:

- management support. The main task of management is to “sell” innovations to employees and show how they will affect each of them;

- organizational transformation. Traditionally, new business processes are implemented within the current organizational structure by employees who have been working within existing processes for a long time;

- evolutionary integration with legacy systems. The digital transformation of business processes affects a large number of legacy systems that cannot be eliminated at once. Attempts to integrate old systems into new processes are fraught with long-term projects with vague payback periods;

- engaging and stimulating customers. Fostering new consumer behaviors is an essential element of digital transformation;

- flexible business process management model. The classical theory of optimization and reengineering of business processes in new realities is supplemented with flexible approaches [1].

By studying the factors that influence the digitalization process suggested above and applying them in practice, it will be easier for organizations or the country as a whole to make the transition to a new level of work. It is the modern consumer who acts as a certain engine for the movement of digital transformation. This is due to the fact that almost everyone, to one extent or another, uses gadgets and consumes modern digital services, ranging from social networks, television and entertainment, to public services. The transition to a new level through digitalization will lead to the fact that the business will not be able to work according to the old model and with the same efficiency.

Digitalization occurs under the influence of various factors and with different intensity, and in this regard, the task of identifying the best practices for implementation in the Republic of Belarus becomes urgent. The efficiency of all sectors of the national economy will depend on the chosen path of development of the digital economy.

The attempt to copy and implement the activities of foreign institutions in the Belarusian reality shows itself unsuccessful, but we should pay special attention to the experience of other countries. Belarus needs to choose its own unique development path that takes into account the best international practices.

Various indices of digital economy development and statistical data allow assessing the level of digitalization in Belarus. In Belarus, 74 % of the population — as of January 1, 2019 — are Internet users (the average number of users in America is 96 %, the lowest figures are in Libya — 22 %; the Belarusian figure is similar to the average for Slovenia and Brazil). [3]

According to the GSMA Mobile Connectivity Index for 2018, which evaluates 163 countries in the world by such indicators as infrastructure, financial accessibility, ability and readiness of the population to use the Internet, availability and relevance of online content and services, Belarus has 66.4 points out of 100 (mobile infrastructure — 60.8; availability (in economic terms) of devices and services — 64.0; consumer readiness to buy them — 85.9; availability of relevant content and services — 58) and 60th place in the rating (35th in Europe). The highest rates in the world are in Australia (88.4), Singapore (86.6) and New Zealand (85.2). In Russia, this indicator is 73.2; the United States — 80.7; Kazakhstan — 66.2; China — 74.3; Ukraine — 64.1. In the data rankings and indices of the development of the digital economy of Belarus occupies a middle position. [2]

Direct projection of international experience on Belarus is not possible, since Belarus has a number of important historical economic prerequisites: dynamic inefficiency of industrial enterprises, budget deficit, and the need to refinance both domestic and foreign debt. All these factors have a negative effect on the development of innovations in Belarus, and consequently on the prospects for the development of the digital economy. Therefore, the key to the positive dynamics of the digital sphere in the country is financial stability. It is digitalization that will help businesses move to a new level of activity, attract more customers and thereby increase interest in the company, as well as contribute to creating more convenient communication links between the consumer and the company that sells a particular product or service.

**Conclusion.** This article discusses options for implementing digitalization in Belarus, provides statistics on the percentage of Internet resources used in some countries, as well as factors that make the transition to digitalization less difficult and costly. Examples are given that negatively affect the introduction of innovations in Belarus, which slows down the development of the digital economy.

## References

1. Digital Economy: How is digitalization changing global competitiveness and economic prosperity? [Electronic resource]. — Mode of access: <https://ged-project.de/digitization-and-innovation/digital-economy-how-is-digitalization-changing-global-competitiveness-and-economic-prosperity/>. — Date of access: 15.10.2020.