

THE SUBSTANTIATION OF THE NECESSITY FOR IMPLEMENTING ELECTRONIC COMMERCE AT THE ENTERPRISE

Annotation. The article considers the necessity of implementation of electronic commerce at the enterprise in current conditions to increase the economic indicators at the enterprise. The benefits of electronic commerce and the effects of implementing electronic commerce at the enterprise are studied. The peculiar features of the legislation base that regulates electronic commerce are researched.

Анотація. Розглянуто необхідність впровадження електронної комерції на підприємстві в сучасних умовах як можливість збільшення економічних показників підприємства. Визначено переваги електронної комерції, а також ефекти впровадження електронної комерції на підприємстві. Досліджено особливості законодавчої бази, що регулює електронну комерцію.

Аннотация. Рассмотрена необходимость внедрения электронной коммерции на предприятии современных условиях как возможность увеличения экономических показателей предприятия. Определены преимущества электронной коммерции, а также эффекты внедрения электронной коммерции на предприятии. Изучены особенности законодательной базы, которая регулирует электронную коммерцию.

Keywords: electronic commerce, development, enterprise, effects, benefits, law, improvement.

In the emerging global economy, e-commerce and e-business have increasingly become a necessary component of business strategy and a strong catalyst for economic development. The integration of information and communications technology (ICT) in business has revolutionized relationships within organizations and those between and among organizations and individuals. Specifically, the use of ICT in business has enhanced productivity, encouraged greater customer participation, and enabled mass customization, besides reducing costs.

Developing countries are given increased access to the global marketplace, where they compete with and complement the more developed economies. Most, if not all, developing countries are already participating in e-commerce, either as sellers or buyers. However, to facilitate e-commerce growth in these countries, the relatively underdeveloped information infrastructure must be improved [1].

The novelty and topicality of this work are reflected in the statement that electronic commerce is emerging as a new way of helping business enterprises to compete in the market and thus contributing to economic success. Electronic commerce can help deliver economic growth, increased business opportunities, enhanced competitiveness and better access to markets.

At present, though, most small enterprises lack the knowledge of how investment in electronic commerce could benefit their businesses and help them develop that competitive edge. This is at a time when the opportunities for small enterprises to adopt electronic commerce are growing due to improved access to the technical and communication infrastructure [2].

Electronic commerce can provide substantial benefits for business via improved efficiencies and raised revenues. It can enable new ways of working to emerge as business faces the future and embraces the new economy. Electronic commerce enables enterprises to gain access to better quality information, and thus empowers to make informed decisions about business. Most importantly, electronic commerce can give enterprise a competitive advantage.

It can help strengthen enterprise market position and open up new business opportunities with the potential to improve profits. Benefits of electronic commerce can arise in the following ways:

Cost Reduction Benefits (reduced cost of materials; reduced marketing and distribution costs; reduced sales costs; more efficient supply chain management; improved internal functions);

Market Benefits (greater reach; more brand awareness; improved customer service; increased market awareness);

Competitiveness Benefits (increased efficiency; continuous trading) [3].

The problem of implementation of electronic commerce at the enterprise gradually receives the increasing number of published works in Ukraine and in the foreign literature. A lot of authors considered the ways of implementation of e-commerce, the reasons for implementation and the development of e-commerce such as Philippe Hurneau, Matteu Jung, Abijit Chaudhury, Philip Kotler, Philip Karter, Kendra Bonnett, Rosabeth Moss, Jean-Pierre Kuiboer [5].

The effects of implementation of electronic commerce at the enterprise can be market, integration, legal, informational, scientific and cultural.

Unlike countries that have separate regulations on e-commerce, in Ukraine it is regulated by the same legislation as traditional trade. That is why many issues are left unregulated and unresolved. Sale of goods via e-shops is a form of business activity and it must be legalized in the established order. Thus, the owner of an e-shop must be registered as a business entity with a number of state agencies and funds, and obtain all the required permits and licenses – depending on

the types of its commercial activity. The main legal provisions of e-commerce activity in Ukraine are included in Civil Code of Ukraine, Commercial Code and the Law "On Consumer Protection". The "European Union Directive on Electronic Commerce" can also be taken into account. In the nearest future the Law "On Electronic Commerce" will be presented. It will consist of new directions on e-commerce activity [6].

This work is dedicated to a very actual theme for businessmen of any level – the implementation of electronic commerce at the enterprise. Rapid development of electronic commerce and modern communication media in recent years results in new world information perspectives and on essentially new form of activity named "digital culture" which leads to radical changes in business processes and traditional methods of work with information.

E-commerce has become a great leveller, giving anyone the ability to build an e-commerce website, and sell to a worldwide market with outstanding results. An e-commerce solution for a business is the incorporation of all aspects of the business operation into an electronic format. The basic distinctive feature of "Internet business" is realization of mutual relations between economic agents in full or in part by means of electronic communications, and also preservation of high rates of increase and labour productivity during a long period of time thanks to intensive introduction and use of information technology.

The beginning of the third millennium becomes a period of evaluation of fantastic possibilities of the world computer network for mankind and their active use in various areas of economy and international business.

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