



## CHARACTERISTICS OF THE DIGITAL ECONOMY AND ITS DESCRIPTION

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**Abstract:** This article describes the role of the digital economy in our lives, its advantages, its difficulties, its role in the economy and how it relates to all areas, the specific features of the digital economy.

**Key words:** Digital economy, smart city, digital business, 3d printer, technology, society.

### *1. Introduction.*

Today, our life is unimaginable without digital technologies. Digital technologies are very actively used in all areas of our life. The role of the digital economy is huge in the success of the economy, banking, universities, service sectors, as well as educational processes and countries. In addition, the robotization of management processes, production, and service sectors raises the issue of competition between robots and workers. Instead, to define the digital economy, the digital economy is the economic activity that involves the millions of connections between people, businesses, devices and information online every day, in short, it is an economy of resource-intensive businesses. Artificial intelligence, cloud technologies, digital analytics and large-scale databases in shaping the digital economy. Examples of digital business modules are: Uber, Facebook, Alibaba, YouTube, Uzunmarket and others.

A different aspect of digital businesses is that no material resources may be required to start and grow a business. For example, Uzunmarket online store. This company does not manufacture all the products it sells. This company has developed a mobile application that connects people who have a demand for a product in the market with people who produce this product online.

### *2. Review of literature.*

The digital economy is important not only for business but also for government services. In the developed USA, China, Estonia, Turkey, Canada, Russia and the rest of the European Union, the digital economy has developed in the following areas.



These are: Digital medicine, SmartCity, Online banking services, online courses in the field of education, 3D printer service, online stores, digital government. Among these, if we take digital medicine, with the help of digital medicine, the health of the population can be monitored online through electronic medical records.

Scientist TLMezenburg shows the characteristics of the digital economy in his research:

The growing importance of software networks through the use of digital technologies, the increase of added value, the different level of the amount of labor in the software and digital economy, internet commerce, e-business structure.

Applying some aspects of the aforementioned features, many services that used to be purchased are now available for free over the internet.

There will be many conveniences for the people and society of countries with developed digital economy. In this regard, as the President of our country Shavkat Mirziyoyev stated, "To achieve development, it is necessary and necessary to acquire digital knowledge and modern information technologies. This gives us the opportunity to take the shortest path to ascension. After all, information technologies are deeply penetrating all areas of the world today. Of course, we know very well that the creation of a digital economy requires the necessary infrastructure, a lot of money and labor resources. However, no matter how difficult it is, if we don't start today, when will we start?! Tomorrow will be too late.

### ***3. Research methodology.***

In the process of research, the characteristics of the digital economy and the importance of investments and investment activities in their description, the role of the digital economy in society, the theoretical and organizational aspects of the development of the digital economy as a result of the analysis of national and foreign practices, a lot of theoretical literature related to the topic, logical thinking, comparative scientific observation, systematic approach methods are used.

### ***4. Analysis and discussion of results.***

In a word, it is possible to dramatically improve people's lives by widely introducing digital technologies in state and community management, and in the social sphere as well.

Here are some other advantages of digital economy development:

- ❖ Increase in labor efficiency in production,
- ❖ The emergence of new modern professions,
- ❖ Increasing the competitiveness of companies,
- ❖ Reduction of production costs,



- ❖ Reduction of paperwork in production,
- ❖ Overcoming poverty and elimination of social inequality.

He believes that "digital economy is economic production using digital technologies." There are two approaches to the digital economy. The first approach is the "classical" approach, in which the digital economy is an economy based on digital technologies, and it is correct to describe only the field of electronic goods and services. The second approach is expanded: the "digital economy" is economic production using digital technologies. Until now, research is being done to clarify this approach. In 2019, the US Bureau of Economic Analysis launched a project to create a new digital economy satellite account to determine the contribution of the digital economy to the overall US economy due to the rapidly changing nature of technology.

### ***5. Conclusions and suggestions.***

Thus, as a result of the research, the following theoretical results were achieved in the analysis of the functional characteristics of the digital economy through categories.

First, the functional characteristics of the digital economy will grow over the years and will create new opportunities and results along with the passage of time.

Second, it changes the concepts of traditional economic growth and competition, competitiveness, competing products in enterprises.

Thirdly, it is realized as a result of attracting investments in projects to ideas and start ups in the forecast of rapid growth of the economy.

Fourth, value chains are affected differently, especially through platformization, modularization, and servitization. It also opens up new means of value addition and structural change.

Fifth, clearly defining the characteristics of the digital economy and defining it taking into account all its characteristics when forming the category serves as a fundamental basis for the correct calculation of the share of the digital economy in GDP. Measuring the digital economy is becoming increasingly complex. But in the near future, easier ways will begin to appear.

Based on the conclusions of the above characteristics of the digital economy and the subject of economic theory, we formed the author's definition of the digital economy category, taking into account the economic impact, importance and consequences of technologies. Digital economy - to increase the efficiency of storage, sale and delivery of goods and services by processing and analyzing a large amount of data in economic processes based on digital information and technologies



in order to quickly and fully satisfy the unlimited desires and needs of the information society.

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