Prospects for the Development of Services Market in Uzbekistan

Bobirmirzo Zokirjon ogli Arzimatov

Assistant of the Department of Management of Fergana Polytechnic Institute

Abstract: *The article clarifies the terms of service on the basis of scientific research of foreign and national researchers, classifies the features of services, identifies areas and opportunities for the use of service activities. At the same time, based on the dynamic range of services in 2010-2019, the laws of change of indicators were identified and the level of change of indicators until 2023 was forecasted on the basis of the identified laws.*

Keywords: *services market, modernization, services sector, financial services, transportation services, regression analysis*

In the context of modernization of the country, one of the most pressing issues today is to provide services to the population, improve their living standards and solve the problem of employment. By providing various services, firstly, the needs of the population in services will be met, secondly, the problem of employment of the unemployed will be solved, and thirdly, the living standards of the population will improve and incomes will increase. . Therefore, the provision of affordable services to the population, employment and improvement of living standards of the population within the chosen topic is one of the most important areas of scientific research.

In the theoretical study of the service sector, it is expedient to pay attention, first of all, to the meaning of such terms as "services", "services". The term "services" is interpreted differently by scholars in the economic literature from different perspectives. Within the framework of these terms, many foreign and domestic scientists have conducted theoretical research. F. Kotler, a well-known scholar, describes service as follows: Service is any activity that one party may offer to another.[1].

SNKorobkova describes the sphere of services as follows: "The sphere of services is the sphere of the economy in which goods are created, which have a beneficial effect on the process of creation. Labor in the service sector is not expressed in the form of material goods "[2]. According to the definition given by GAAvanesova, LPVoronkova, VIMaslov, AIFrolov: It is the sphere of industrial practice and social interaction of the organizers of useful activities, the competition of producers of goods and products.[3].

---

[1]Kotler, F., Marketing management. Ex press-course. 2nd ed. / Per. s angl. under red. Bojuk S. G. SPb .: Peter, 2006. - 464 p.

[2]Korobkova S.N. Servisnaya deyatelnost. Uchebnoe posobie. Edited by VK Romanovicha Publishing House - SPb Peter - 2006.

[3]Avanesova G.A., Voronkova L.P., Maslov V.I., Frolov A.I. Tourism, hospitality, service. Glossary. Pod red. L.P.Voronkovoy. - M .: Aspekt Press, 2002. - 367 p.

Modernization of the service sector is a very complex social and economic phenomenon. It is difficult to make strategic decisions on modernization of the service sector without an in-depth study of these complex socio-economic processes. Because in modernization, social change does not take place spontaneously, mechanically. On the contrary, it is a very complex process, in which socio-economic changes and innovations in society sometimes take place openly, sometimes secretly. World practice has shown that in the process of transition from traditional societies to modern societies, the living standards of the population are sharply affected, stratification among the population and the balance of social justice is disturbed. Some promising industries and sectors will also face their own challenges over time. Therefore, today, modernization is one of the most important, yet one of the most complex, critical scientific paradigms. Probably for this reason, clear and perfect methods for implementing the process of modernization of the service sector have not yet been developed. The research of economists LNManiskaya and BMJukov on the modernization of service organizations is one of the most important scientific achievements in this area.[4]. They developed modernization models in service enterprises and showed both external and internal factors influencing it. The development of modernization models in service enterprises plays an important role in the development of the industry, but does not allow the development and definition of a single approach. Modernization is also needed to develop the service sector and strengthen its position in the national economy. Therefore, a method of modernization of the service sector should be developed.

Modernization of the service sector is very different from the modernization of the agricultural and industrial sectors of the economy. For example, the modernization of agriculture involves the uninterrupted and sustainable supply of food to the population, increasing the productivity of land resources, maintaining the ecological balance or a sharp increase in the export potential of the industry. Modernization of industrial sectors also involves the most efficient use of non-renewable resources. Modernization of the service sector will create the following opportunities:

➢ increases the range of services;

➢ increases the volume of services;

➢ improves the quality of services;

➢ Increases service speed.

There is a peculiarity of modernization of the service sector. It leads to a reduction in the number of employees employed in some sectors of the service sector, while in others it provides employment to the population. For example, new technologies in medicine make it possible to simultaneously determine a patient's blood pressure, heart rate, and blood composition. In this case, the patient does not need to see another doctor for his disease. This means that there will be a reduction in the number of specialists in this field. In the field of education, the intensification of the modernization process will create new jobs. The introduction of modernization in the field of education will change the annual workload of each teacher in educational institutions as a result of updating the curriculum and adapting it to the requirements of world standards. Modernization in education gives teachers special time to work on themselves, use new resources, find new pedagogical technologies. This will create new jobs in this area, further improving the quality of education. Therefore, it is not expedient to take the modernization of the service sector as a whole. It should be viewed from the perspective of employment as much as possible. This will create new jobs in this area, further improving the quality of education. Therefore, it is not expedient to take the modernization of the service sector as a whole. It should be viewed from the perspective of employment

---

[4]Manitskaya L.N., Zhukov B.M. Modernization predpriyatiy sphere of service: conceptual model and instrumental means. // «Modern problems of science and education» №3,2011. https://scienceeducation.ru/ru/article/view?id=4711.

as much as possible. This will create new jobs in this area, further improving the quality of education. Therefore, it is not expedient to take the modernization of the service sector as a whole. It should be viewed from the perspective of employment as much as possible.

The level of development of the national economy can be explained by the fact that the country's macroeconomic indicators have achieved a stable growth trend in the period under study. In 2013-2019, we can observe the level of sustainable development of macroeconomic indicators in our country. In particular, the gross domestic product (GDP) in 2013 amounted to 144548.3 billion soums. soums, and by 2019 - 511838.1 bln. soums. The growth rate was 354.1% compared to the base period of the analyzed years.

Table 1: Changes in macroeconomic indicators of the Republic of Uzbekistan in 2013-2019[5]

(at the expense of billion soums)

Indicators	2013 year	2014	2015	2016	2017	2018	2019	In 2019 compared to 2013 (%)
Gross domestic product	144548.3	177153.9	210183,1	242495.5	302536.8	406648.5	511838,1	354.1
GDP deflator index	111.7	114.3	110.4	108.7	119.4	127.5	119.2	106.7
Inflation rate (compared to December last year)	6.8	6.1	5.6	5.7	14.4	14.3	15.2	223.5
Industrial product	70634.8	84011.6	97598.2	111869.4	148816,0	235340.7	331006.6	468.9
Consumer goods	28614,1	33868.5	42085.5	48253.8	59690.4	83512,6	111494,3	389.6
Agriculture, forestry and fisheries	69391.3	85101.7	103302.0	119726.7	154369.4	195095.6	224288.8	323.2
Investments in fixed assets	30 490.1	37 646.2	44 810.4	51 232.0	72 155.2	124 231.3	189 924.3	622.9
Construction works	15 219.3	20 060.4	25 423.1	29 413.9	34 698.0	51 129.3	68 854.4	452.4
Retail turnover	46 863.0	58 136.6	71 184.1	88 071.6	105229.9	13 195.2	16 184.2	34.5
Services, total	55 872.8	68 032.1	78 530.4	97 050.0	11 8811.0	150 889.8	190 356.0	340.7
Foreign trade turnover (million US dollars)	28 269.6	27 530.1	24 924.3	24 232.2	26 566.1	33 429.9	42 177.8	149.2
Export	14 322.7	13 545.7	12,507.6	12 094.6	12 553.7	13 990.7	17 901.7	124.9
Import	13 946.9	13 984.3	12 416.6	12 137.6	14 012.4	19 439.2	24 276.1	174
Balance	375.8	-438.6	91.0	-43.0	-1 458.7	-5 448.5	-6 374.4	-5998.6

The volume of industrial production in 2013 amounted to 70634.8 billion. soums, in 2019 - 331006.6 bln. soums and the increase in 2019 compared to 2013 was 468.9%.

In recent years, the country has been mobilizing all opportunities to invest in all areas and increase its attractiveness. As a result, we can observe that the statistics in this direction tend to grow accordingly over the years. Investments in fixed assets in 2013 amounted to 30,490.1 billion soums. In 2019, it amounted to 189,924.3 billion soums. soums, and the growth rate was 622.9%. Of course, the role of the service sector in the high growth of macroeconomic indicators in our country is high. The volume of all

---

[5] Prepared on the basis of data of the State Statistics Committee of the Republic of Uzbekistan.

services in the country in 2013 amounted to 55,872.8 billion soums. soums, in 2019 it amounted to 190356 billion soums. The analyzed base has grown by 340.7% year-on-year. Foreign trade turnover in 2013 amounted to 28,269, 6 mln. USD, and in 2019 it will be 42 177.8 mln. dollars, an increase of 149.2%.

The services sector, being a complex, multi-plan mechanism, covers a number of areas of activity (from trade and transport to education and insurance) and is one of the most promising sectors of the modern economy.

Given the effective use of available resources in the management of the non-manufacturing sector and the market of services operating within it, it is possible to ensure the satisfaction of the needs of individuals, social groups and society and to provide a variety of services. the introduction of modern methods and techniques that solve the problem of ensuring the balance of supply and demand as much as possible is a requirement of today.

Modeling the dynamics of key indicators in the field of services in the Republic of Uzbekistan can be done using models such as trends, tendencies and time series in the industry. An analysis of trends in change over the years has been conducted to study some indicators of the services sector.

Table 2: The volume of services provided by the main types of economic activity in the Republic of Uzbekistan in 2010-2019[6]

(billion soums)

Years	The volume of services provided by the main types of economic activity	Financial services	Transportation services	Sales services
2010	27126.8	2643.7	10524.4	6620.8
2011	35196,3	3346.6	13571.7	8789.9
2012	44386	4208.8	16498.8	11533.6
2013	55872.8	5546.5	20562	14807.9
2014	68032.1	6728.2	23781	18979.2
2015	78530.4	8206.7	26817.3	21366.9
2016	97050,0	9898.4	30617.8	27368.2
2017	118 811.0	15023.8	36217.2	32006.9
2018	150889.8	21296.3	44159.4	39743.4
2019	151622.0	19688.5	45059	41062.5

The volume of investments in fixed capital (X1), which affects the growth of the volume of services (Y), has increased from year to year. This leads to an increase in the volume of services provided by the main types of economic activity, which is a direct output factor.

Based on the identified factors, the density of the correlation factors was determined, regression analysis was performed, and the regression equation was constructed. Given that the location of the indicators has grown over stable, clear intervals over the years, the regression relationship was assessed as a straight-line relationship.

On the basis of trend models, the list of perspective indicators of development of the service sector in the Republic of Uzbekistan in 2020-2023 and the most convenient functions for their calculation is given (Table 3).

[6] The data of the table are prepared on the basis of data of the State Statistics Committee of the Republic of Uzbekistan.

Table 3: Forecast indicators of the development of the service sector in the Republic of Uzbekistan in 2020-2023[7]

(billion soums)

№	Indicator name	Model	Years			
			2020	**2021**	**2022**	**2023**
1.	The volume of services provided by the main types of economic activity	$y = 1,702 \cdot x_1 + 0,47 \cdot x_2 +$ $+2,295 \cdot x_3 + 2696,05$	167304.8	182987.6	198670.5	214353,3
2.	Financial services (billion soums)	$x_1 = 2312,58 \cdot t - 3437,3$	22001,1	24313.7	26626.2	28938.8
3.	Transportation services	$x_2 = 4117,97 \cdot t + 3879,31$	49177.0	53295.0	57412.9	61530.9
4.	Sales services	$x_3 = 4275,11 \cdot t - 1688,63$	45337.6	49612.7	53887.8	58162.9

In the correlation-regression analysis of the volume of services provided in the Republic of Uzbekistan in 2010-2019, financial services - X1, transport services - X2 and trade services - X3 were identified and analyzed as influencing factors. Based on the identified factors, the density of the correlation factors was determined, regression analysis was performed, and the regression equation was constructed. Given that the location of the indicators has grown over stable, clear intervals over the years, the regression relationship was viewed as a straight-line relationship.

As a result of correlation-regression, the following results were obtained:

➢ multiplicity correlation coefficient   - R = 0.999996;

➢ determination coefficient   - R2 = 0.999992;

➢ The importance of the Fisher criterion -   Z = 1,1737E-10;
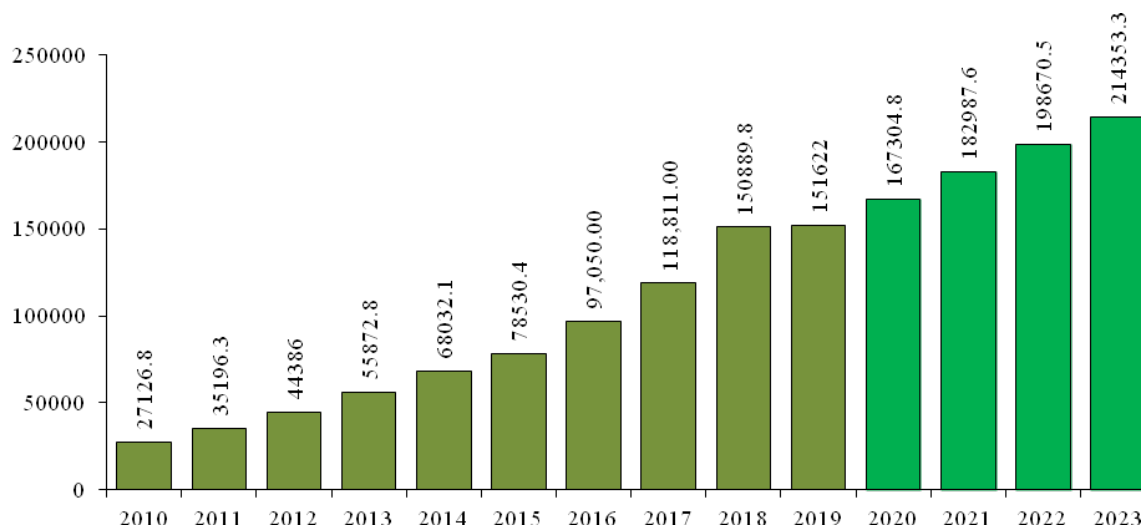
Figure 1. Dynamics of changes in the volume of services provided by the main types of economic activity in the Republic of Uzbekistan in 2010-2023[8] (in billions of soums)

---

[7] Developed based on research results.

It was found that the regression equation of the relationship in the presence of coefficients consists of the following form (Figure 1):

$$y = 1,702 \cdot x_1 + 0,47 \cdot x_2 + 2,295 \cdot x_3 + 2696,05$$

The figure shows that the volume of services provided by the main types of economic activity in 2010-2019, the dynamics of change in 2020-2023 will continue to grow steadily in 2020-2023 and will be 7.9 times higher than in 2010. times increased by 214353.3 billion. soums.

The above analysis allows to assess and predict the overall effectiveness of the volume of services provided by the main types of economic activity. In assessing the prospects for the volume of services provided by the main types of economic activity, the analysis can clearly show the future prospects of the industry, sorted by the level of importance of the factors affecting the key indicator.

The article draws the following conclusions based on the above theoretical and practical research:

1. In the context of economic liberalization and macroeconomic stability in the Republic of Uzbekistan, it has been identified that the services sector has the potential to develop rapidly in a short period of time. Based on the Action Strategy for the Development of the Republic of Uzbekistan for 2017-2021, the process of developing the activities of existing service enterprises in the country is underway.

2. Based on the research of foreign and national researchers, the terms of service were clarified and service characteristics were classified.

3. Studying the experience of foreign countries in the use of service activities, identified areas and opportunities for the use of service activities in the regions of our country.

4. Based on the analysis of the dynamic series of quantitative and qualitative indicators of service activities in the regions of the Republic of Uzbekistan, the following were identified and evaluated:

➢ service activity has been growing steadily over the years analyzed, and the supply of services actually available does not fully meet real demand;

➢ Based on the dynamic range of services in 2010-2019, the laws of change of indicators were identified and the level of change of indicators until 2023 was forecasted on the basis of the identified laws.

A structural study of the current state of the services market shows that most of the enterprises in this system are not organized in clusters, or more precisely, the services formed around basic services are formed independently and spontaneously, largely on demand and unorganized. This is because the infrastructure systems formed around the service enterprises are formed in the form of structures that operate in a separate, unconnected and unorganized manner. The fact that the capacity of these structures is not linked to the main service capacity, on the one hand, leads to their operation in a partially uncertain market, on the other hand, there is a high risk of unexpected interruptions in meeting customer demand for these products and services. Such cases lead to a decrease in the level of "attractiveness" of enterprises offering various services.

References

1. Kotler, F., Marketing management. Ex press-course. 2nd ed. / Per. s angl. under red. Bojuk SG SPb .: Peter, 2006. - 464 p.

2. Korobkova SN Servisnaya deyatelnost. Uchebnoe posobie. Edited by VKRomanovicha Publishing House - SPb Peter - 2006.

---

[8] Developed based on the author's research.

3. Avanesova GA, Voronkova LP, Maslov VI, Frolov AI Tourism, hospitality, service. Glossary. Pod red. LPVoronkovoy. - M .: Aspekt Press, 2002. - 367 p.

4. Maniskaya LN, Zhukov BM Modernization predpriyatiy sfery uslug: konseptualnaya model i instrumentarnye sredstva. // «Modern problems of science and education» №3, 2011.https://scienceeducation.ru/ru/article/view?id=4711.

5. Khonkeldieva G.Sh., Muminova EA, Mirzaev AT, Asrakulov AA Field of services in Uzbekistan: current situation, problems and prospects: monograph. - Tashkent, "Navruz" -2020. 160 pages.

6. Mirzaev, AT (2018) "The level of use of tourist attractions in the regions and the factors affecting them," Economics and Innovative Technologies: Vol. 2018: No. 3, Article 19. Available at: https://uzjournals.edu.uz/iqtisodiyot/vol2018/iss3/19

7. Mirzaev AT Sovershenstvovanie integralnoy otsenki mekhanizma rekreatsionno-turisticheskix obektov // Bulletin of science and practice. 2019. T. 5. №2. S. 127-134.https://doi.org/10.33619/2414-2948/39/17.

8. Mirzaev AT ESTIMATION OF THE PROSPECTS FOR THE USE OF RECREATIONAL FACILITIES IN THE MARKET OF TOURISM SERVICES // Nauka segodnya: vyzovy, perspektivy i vozmojnosti [Text]. - 2018. - S. 76.

9. Xankeldieva G. Sh. Features of corporate governance in joint-stock companies with state participation // Bulletin of science and practice. Electron. jurn. 2017. №11 (24). S. 357-363. Friend mode:http://www.bulletennauki.com/honkeldiyeva (data obrashcheniya 15.11.2017).

10. Khankeldieva G. Sh. Perspektivy razvitiya elektroenergeticheskoy otrasli Respubliki Uzbekistan v usloviyax modernizatsii ekonomicheskix otnosheniy // Bulletin of science and practice. Electron. jurn. 2017. №12 (25). S. 293-299. Friend mode:http://www.bulletennauki.com/honkeldiyeva-g (data obrashcheniya 15.12.2017).

11. Xonkeldieva G. Sh. ORGANIZATIONAL-ECONOMIC MECHANISMS MANAGEMENT INVESTMENT DEYATELNOSTYU IN THE FIELD OF TELECOMMUNICATION // Economics and business: theory and practice. - 2019. - №. 11-3.