Article

Trends of Retail Network Development and Best Practices in Developed Foreign Countries

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Abstract: The article examines the software trends and best practices of retail businesses in the developed world. It also presents scientific proposals and conclusions aimed at increasing the level of activity of retail businesses.

Keywords: retail trade, retail volume, consumer market, retail market and trade infrastructure.

1. Introduction

In the world economy, the retail network, as one of the main components of the consumer market, is expanding every year. According to the latest international analysis, the global retail market size is projected to approach nearly USD 30 trillion from 2024 to 2025. The bulk of it goes to the contributions of countries with large economies. In particular, the size of the retail market in the United States was formed in the amount of more than USD 7 trillion, in China about USD 6 trillion, and in Japan and the UK - in the amount of more than USD 1 trillion. These indicators show the high capacity of the consumer market in these countries, the development of trade infrastructure and the wide range of trade services.

2. Analysis of Literature on the Topic

In the economic literature, we have formulated the main indicators of retail trade efficiency and the main indicators of technical means and technologies for their development and conducted scientific research on the basis of economic measurement modeling. For example, Shodmon Shodmonov, Bakhtiyor Khodiev, Abdulla Olmasov, N.T. Tukhliev, Q. Mambetzhanov (DSc, professor), O.A. Abduganiyev, N.M. Mahmudov, McConnell K.R, Me Connell, Reichman E.P., Esther Duflo, Y.A. Roslyakova, N.Varshney, D.Jain, Dr.Pracheta and J.Sachs's scientific works on the analysis of the main indicators of retail trade can be cited [1-9]. In scientific works on this topic, scientific issues were analyzed on an economic and statistical basis. For example, economist Shodmon Shodmonov, in his works, paid special attention to the implementation of a number of important programs in the social economy, saving trade [1]. Bakhtiyor Khodiev conducted a thorough analysis of the scientific and theoretical foundations of the model of economic development of the retail trade. O.A. Abduganiyev, in his research work entitled "Econometric model of the

elimination of agricultural production from the consumer basket", focused on providing the population with a living.

3. Methodology

The main goal of the study is to develop scientific and practical proposals and recommendations for improving the level of the retail trade network in the regions. Economic and statistical methods were widely used in the research process.

4. Analysis and Results

In order to analyze these processes in depth, during the assessment of the level of development of retail trade in developed and developing countries of the world, special attention was paid to the volume of retail trade per capita. Retail trade per capita is an indicator of the size of the consumer market, purchasing power of the population and the level of development of trade infrastructure. Especially in developed countries, the retail network is manifested as an important component of economic activity and is formed in direct relation to the income of the population and the quality of trade services [2].

The average retail sales per capita in the United States is USD 21. Next in place are Great Britain (USD 18 thousand), Germany (USD 16,5 thousand) and Canada (USD 15,9 thousand). In Japan and France, too, retail sales are relatively highly formed. These states are explained by the developed trade infrastructure and the wide consumer market. In South Korea, Australia, Italy and Spain, retail sales per capita were also formed in the range of USD 11-14 thousand. The high level of these indicators is due to the development of the trade network in these countries, the relatively high level of income of the population and the efficient functioning of the trade infrastructure.

The above data show a high level of formation of the retail network in developed countries and a wide range of consumer market volumes. However, in assessing the level of development of the retail network, not only the volume of sales per capita but also the volume of the total retail market by countries are taken into account .

Chakana savdo bozori hajmi mamlakat iqtisodiyotining hajmi, iste'mol bozori sig'imi hamda savdo infratuzilmasining rivojlanish darajasini aks ettiradi (1-jadval).

Table 1. Ranking of the leading countries of the world by their retail market volume (trillion USD)

Rating	Country	Retail market size (trillion US dollars)
1	United States (USA)	7.0
2	China	6.3
3	Japan	1.4
4	United Kingdom (UK)	1.2
5	Germany	0.9
6	India	0.88
7	France	0.65
8	Canada	0.64
9	South Korea	0.52
10	Italy	0.43

According to Table 1, the U.S. and China occupy leading positions in the world in terms of retail market volume. The retail market size in the United States was estimated at about USD 7 trillion. In China, this figure is over USD 6 trillion, which can be explained by

the high population of the country and the wide consumer market. The retail market size is also highly formed in developed countries such as Japan, the UK and Germany. These countries are characterized by the development of trade infrastructure, high incomes of the population, and the widespread introduction of modern forms of trade services.

In recent years, the rapid development of digital technologies and internet infrastructure has led to a sharp increase in the share of e-commerce in the retail network. Especially in developed countries, online shopping platforms are widely used and there is a significant change in consumer shopping behavior. According to international analyses, e-commerce accounts for a significant part of total retail turnover in some countries (Table 2).

Table 2. Share of electronic commerce in retail trade in countries of the world (%)

Rating	Country	E-commerce share (%)
1	China	45
2	South Korea	32
3	United Kingdom	30
4	United States (USA)	28
5	Germany	24
6	France	22
7	Canada	20
8	Japan	19
9	Australia	18
10	Italy	14

In terms of e-commerce share, China has held a leading position in the world. In China, the figure is more than 40 percent. South Korea and the United Kingdom also had higher shares of e-commerce. Digital trading platforms are widely developed in these countries. In the U.S. and Germany, e-commerce accounts for a significant portion of retail turnover and is defined by the pervasiveness of online shopping culture among consumers. In other developed countries, the share of e-commerce is also gradually increasing [3]. This process associated with widespread introduction of digital technologies in the retail network, improvement of logistics system and provision of user-friendly trade services.

In assessing the level of development of the retail trade network, along with the volume of trade by country, the analysis of the activities of large trading companies operating in this sector is of great importance. Large corporations operating in the global retail market have a significant impact on the development of the trading system by introducing modern trade technologies, improving logistics systems and adopting innovative business models. And the ranking of the world's largest retail companies is recognized as one of the most important indicators in analyzing the structural structure, competition environment and development opportunities of the global trade network (Table 3).

Table 3. Ranking of the world's largest retailers

Rating	Company	Country	Income (mlrd USD)
1	Walmart	United States (USA)	611
2	Amazon	United States (USA)	514
3	Costco	United States (USA)	242
4	Schwarz Group	Germany	167
5	The Home Depot	United States (USA)	157
6	Kroger	United States (USA)	148
7	Aldi Group	Germany	134
8	Walgreens Boots Alliance	United States (USA)	132

| 9 | Tesco | United Kingdom (UK) | 94 |
| 10 | Carrefour | France | 90 |

The leading positions in the global retail market are occupied mainly by companies from the USA and European countries. In particular, companies such as Walmart, Amazon, Costco take a leading position in the global trading system through the use of large-scale sales networks. In addition, European retailers such as Lidl, Aldi and Carrefour have also performed well in shaping a competitive trading system in the international market.

Our analysis shows that today the use of econometric models and economic and statistical methods in an in-depth study of the development processes of the retail network and assessment of their cost-effectiveness allows to identify the factors influencing the development of the trade network, as well as to forecast its development trends. Globally, developed countries widely use innovative technologies, digital trading platforms and efficient logistics systems in the development of the retail network. Therefore, within the framework of our study, the features of the development of retail trade in the countries of the USA, China, Germany, South Korea and Russia were studied in order to analyze the main indicators of retail network development on the basis of econometric approaches and study the best practices [4].

In terms of the organization and management of the retail trade network in the **USA**, it is one of the countries that played an important role in the formation of the modern trading system. Here, retail trade is considered not only as a process of sale of goods, but also as a complex economic system, closely linked to marketing, studying consumer behavior and using innovative trade technologies. In the activities of trading enterprises, omnichannel sales model is widely used, and along with traditional forms of trade, e-commerce platforms are actively developed.

In our opinion, the main feature of the US experience is the development of the retail trade system on the basis of market mechanisms, a strong competitive environment and a high level of organization of the logistics system. In accordance with this, trade enterprises in the country will quickly adapt to the demands and needs of consumers and continuously improve the quality of services [5].

The development of the Chinese retail network has undergone fundamental structural changes in recent years. The process of trade in the country gradually transitions from traditional forms of retail trade to a gradual digital trading system. Widespread use of e-commerce platforms, mobile payment systems and digital marketing technologies contributes to improving the efficiency of sales activities.

A feature of the Chinese experience is that the country's retail system is developing integrated with innovative technologies. Digital trading platforms are simplifying communications between producer and consumer, ensuring faster trade operations [6]. According to our scientific analysis, the Chinese model is one of the effective directions for the modernization of the trading system through the widespread introduction of digital technologies in retail.

German retail industry stands out among European countries by its model of sustainable and balanced development. The country's trade system is based on the principles of economic efficiency, protection of consumer interests and support of the competition environment. In the activities of trade enterprises special attention is paid to cost optimization, improvement of logistics processes and effective organization of trade infrastructure [7].

In the German experience, the retail network is geographically balanced, maintaining an optimal ratio between shopping centers, supermarkets and small outlets. In our opinion, the effective functioning of the German retail trade system is explained by state regulatory mechanisms, developed logistics infrastructure and an effective management model of trade networks.

South Korea's retail network is one of the sectors of developing economies based on the introduction of innovative technologies. High development of digital infrastructure in the country has allowed for automation of trade processes and widespread application of e-commerce [8].

In the South Korean experience, the retail system is based on the principle of providing maximum convenience to consumers. Trading enterprises use fast delivery services, mobile payment systems and trading platforms based on artificial intelligence. According to our analysis, the experience of this country shows the importance of using the opportunities of the digital economy and integrating innovative technologies into trade processes in the development of the retail industry.

Russia is considered one of the most developed CIS countries. The trade system in the country was formed through the activities of large trade networks, shopping centers and e-commerce platforms [9], [10]. In recent years, Russia has been taking measures to modernize the trade infrastructure, improve the logistics system, and improve the quality of trade services.

A feature of the Russian experience is the extensive development of the retail network in territorial terms. The large territory of the country requires special attention to the logistics system. Therefore, the efficient functioning of transport infrastructure and distribution centers plays an important role in trade processes. In our opinion, the Russian experience differs from other qualifications in that it has an important practical value for the CIS countries in terms of development of retail trade infrastructure and modernization of trade networks.

In Uzbekistan, the retail industry has been taking consistent measures in recent years to expand its trade infrastructure, develop a network of modern shopping centers and supermarkets and introduce digital trading services. The development of electronic payment systems and online trading platforms in trade processes contributes to improving the efficiency of retail trade [11]. The development of retail network in our country is characterized by the expansion of the domestic consumer market, an increase in real incomes of the population, as well as an increase in the volume of investments in trade infrastructure [12].

The experience of the above foreign countries shows that the development of the retail network is determined by the level of development of trade infrastructure, logistics system, income of the population and the level of development of digital technologies. The development of the retail network in countries such as the USA, China, Germany, South Korea and Russia is ensured by the introduction of innovative technologies, the widespread development of e-commerce and the improvement of logistics infrastructure [13]. On the basis of these experiences, it is possible to systematically assess the factors influencing the development of the country's retail industry and to analyze them using econometric models [14].

Based on the experience of these countries, we systematically formed the main indicators and achievements of the retail industry and analyzed the possibilities of econometric modeling on a scientific basis (Table 2).

Table 4. Foreign experience in the development of retail industry and the possibilities of econometric modeling

Indicator and direction	Experience of developed foreign countries	Situation in Uzbekistan	Econometric modeling capabilities
Retail infrastructure	Shopping centers, logistics systems, and omnichannel sales are widely developed	The retail infrastructure is expanding	Estimating the relationship between retail infrastructure and retail turnover using a regression model

E-commerce development	E-commerce is highly developed in China and South Korea	E-commerce is developing gradually	Econometric analysis of the relationship between e-commerce share and sales volume
Population income and consumer demand	High incomes in developed countries increase consumer demand	Population incomes are growing	Determining the elasticity between income and retail sales volume through a regression model
Logistics and transportation system	The logistics infrastructure in the USA and Germany is highly developed	The logistics system is in the development stage.	Analysis of the impact between transport infrastructure and trade volume based on panel data
Digital technologies	Digital payments and online shopping are widely adopted	Digital commerce services are expanding	Determining the correlation between digital payment systems and trade turnover
Investments	Major investments will be made in trade infrastructure	Investments in the trade sector are increasing	Analyzing the relationship between investment and trade network development using the VAR model
Econometric modeling capabilities	Forecasting based on sales figures is widely used	Econometric research is expanding	Forecasting trade development based on ARIMA, regression and panel data models
Result	An innovative trading system and a sustainable consumer market have been formed.	The retail network is in a phase of stable development.	Improving trade policy based on econometric models

Table 2 systematizes the main directions of development of the retail industry and the possibility of their econometric modeling on the basis of the experience of developed countries. Our analysis shows that the growth of retail trade is directly influenced by the development of trade infrastructure, increase in the share of electronic trade, improvement of logistics system and introduction of digital technologies [15]. In this context, the assessment of the relationship between these factors using econometric models allows to identify trends in the development of the retail industry in the country, as well as to predict its future development.

5. Conclusion

The sustainable development of the retail network is determined by the combination of economic, institutional and technological factors. In the experience of developed countries, modernization of trade infrastructure, improvement of the logistics system, widespread introduction of digital trade technologies and ensuring the effective functioning of the consumer market are identified as priority areas. Stable growth of household incomes, increased quality of trade services and the development of innovative trade platforms will ensure the effectiveness of the retail network. According to our analysis, the application of these factors in accordance with the conditions of our country will contribute to the sustainable growth of the domestic consumer market through the development of trade infrastructure, the expansion of the electronic trading system and the improvement of logistics services. At the same time, the assessment of the main factors affecting the development of the retail network on the basis of econometric models, identification of their interdependence and forecasting future development trends will allow making science-based management decisions. In this context, the use of econometric approaches will be effective in developing an effective system for the development of the retail industry and contributing to the sustainable development of the country's economy.

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