# THE SERVICE SEKTOR AND THE IMPORTANCE OF **DEVELOPMENT OF DIGITAL SERVICES**

## **E.Nabiev**

Doctor of Economics, Professor e-mail:Elshod\_Nabiev52@mail.ru https://doi.org/10.5281/zenodo.7801576

Abstract: In this scientific article, an evaluation model of the service industry was created, and in this scientific model, the development of the service industry turns into digital services, which shows that it is related to the daily life of mankind. Therefore, in this scientific article, the terms service delivery and digital services are defined scientifically.

words: Service, digital services, digital economy, postindustrial, agrarian society, communication and information, communication, evolution, model.

## Introduction

Every country tries to find alternative methods of development, and through this, the resources available in the country, the scientific potential of the population, innovative ability, makes good use of science and technology achievements. Our country has purposefully used the available resources and methods in the implementation of economic reforms from the first days. However, due to various changes in population demand, it requires efficient use of economic resources. To date, the country has shown that it is necessary to choose a service sector that requires less resources, to develop and widely use innovation and the digital economy.

In our opinion, innovation and digital economy are modern categories of market economy. Within these categories, the digital economy forms the majority of services. For this reason, we found it necessary to theoretically address the categories "Innovation" and "Digital economy" separately.

# Literature review

The famous economist Adam Smith (1723-1790) in order to fully reveal the economic content of the benefits in the form of service and to solve the problem of considering it as a source of the country's social wealth, in his world-famous work entitled "Inquiry into the Nature and Causes of the Wealth of Nations", "productive labor" and " commented on the concept of "unproductive labor"[1]. In this way, A. Smith made a great contribution to the creation of the first concept of service by distinguishing tangible and intangible production.

The term "service" is used by scientists in the economic literature from different points of view and interpreted depending on the field of economic knowledge. Many foreign and domestic scientists have conducted theoretical research within this term. One of the famous scientists is F. Kotler, who defines the service as follows: "A service is any activity that one party can offer to another" [2]

I.S. Tukhliev, one of the famous scientists of our republic, says: "Services are a special type of invisible goods"[3], and in this approach, the scientist expresses the characteristics of the goods, that is, it reflects labor relations in the processes of service production and material



# INTERNATIONAL BULLETIN OF APPLIED SCIENCE AND TECHNOLOGY

 $UIF = 8.2 \mid SJIF = 5.955$ 

production, but tries to emphasize that the result of the production process will have an intangible form.

The definition of service given by I. Ochilov is perfect in terms of content and essence compared to others, and it is given in the following form: "Service is the conscious activity of a person, business entities, people who are directed to satisfy a certain need of the state and society, related to the process of service that brings benefits. understood [4].

Analysis and discussion of results. When we look at the services sector, we can see that there are different assumptions and views of most of the scientists in the field of services, and in some cases, views that deny one another. For this reason, unless the essence of service and service provision is carefully and uniformly developed, scientific literature is not connected to practice. Therefore, we believe that it is necessary to understand the essence and difference between service and service.

In our view, a service is an intangible action or work product that has its own value directed by a specific party.

Today, the expansion of the types of services shows that demand and need have a strong influence in the human society. The service sector has developed in close connection with the development of human civilization. Economists have expressed many scientific opinions about the theoretical and logical importance of trying to reveal the essence of the service sector. However, they did not create an evaluation model. Therefore, we have created an evaluation model of the service and service industry.

Polishing of the economy in different periods means the result of the economic evaluation in the human society. Therefore, as a result of the economic evaluation in human society, the service sector became one of the most important sectors in the economy. Its status depends on the development of other sectors and was formed in a proportional state. Changes in service activities have become a component of the world economy. Therefore, in understanding the essence of the service sector, it is appropriate to consider the civilization of development in three major stages. These stages are pre-industrial society, industrial and post-industrial societies.

In pre-industrial society (slavery, feudal formations and the early stages of capitalist development), industry was not developed at all or employed fewer people than agriculture. In those times, the main place in the service sector was occupied by domestic servants.

In an agrarian society (slavery, feudal formations, and the early stages of capitalist development), industry was not developed at all and employed fewer people than agriculture. In those times, the main place in the service sector was occupied by domestic servants.

The famous American economist John Galbraith describes the service characteristics of this period as follows: "In the pre-industrial period, most of the non-agricultural economic activities part focuses on the personal service of one person to another. Such activities include cooking, teaching, protecting a person from external danger, and a number of other services. The person providing the service (except for the representative of religion) is directly dependent on the consumer of the service. servile service was considered part of the service itself. Praise directed at a hard-working servant highlighted his low social status»[5].

Daniel Bell, the founder of the theory of post-industrial society, describes this social system as follows: "Low labor productivity and large population justify the increase in the number of unemployed, which are distributed in the field of agriculture and domestic services. "For this reason, the majority of those employed in the <u>service</u> sector are engaged in personal services.

# IBAST | Volume 3, Issue 4, April

# INTERNATIONAL BULLETIN OF APPLIED SCIENCE AND TECHNOLOGY

 $UIF = 8.2 \mid SJIF = 5.955$ 

**IBAST** ISSN: 2750-3402

Often, servants worked just to make ends meet, and domestic work was cheap and widespread. In the mid-Victorian era in England, the servant class was the majority»[6]. Servants were kept by people who were well-off in one way or another. Hence there arose a very large stratum or class of people who began to perform the functions of domestic servants professionally, in some cases for many generations. A unique way of life, customs, and traditions were formed in this class.

Industrial, that is, the development of industry in developed capitalist and socialist society led to a sharp decrease in the number of domestic servants. During this period, the main task of the economy was the production of mass goods, which created a factory-type production, that is, a social environment, according to which a large number of hired workers were completely subservient to one or more masters. The mechanization of production and the class struggle gradually led to the fact that the wages of factory workers began to exceed the fees for personal services.

Post-industrial society began to form in industrially developed countries from the second half of the 20th century. The main type of activity in it is not the production of goods, but the processing of information and the provision of services. Therefore, the stage of post-industrial development of civilization is called "information society" and "service economy". D. Bell defines it in 1999 as follows: "primarily it is a service-based society. Today, more than 70% of the workforce in the United States is employed in the service sector[7]. Services play an important role in any society. In the conditions of an agrarian society, these were mainly household and personal services. In an industrial society, services are auxiliary activities to production: utilities, transport, finance, real estate management.

The formation of post-industrial society can be observed on the example of developed western countries. (It should be noted here that post-industrial society is still in its infancy). The transition from an industrial society to a post-industrial society includes the following three continuous stages of service development.

- 1. The development of the industry leads to the wide spread of transport services and services related to the movement of goods in general;
- 2. In the conditions of mass consumption of goods, the growth of the distribution sector begins (wholesale and retail trade), financial services, transactions with real estate, insurance;
- 3. The share of family income spent on food will decrease. Freed funds are spent by the population first on the purchase of durable goods (clothes, cars) and real estate, and later on the purchase of expensive goods and leisure. In this way, personal services are expanded. These include restaurants, hotels, car repair shops, travel, leisure and sports industries. There will be a strong interest in the main sectors of the service sector, such as health, education, tourism and the like. All this leads to the formation and development of new types of services. Since the second half of the 20th century, the number of people employed in social, distribution, and household services has increased in industrialized countries. At the beginning of the 21st century, services to manufacturers, education and health related services have grown rapidly.

Currently, Uzbekistan lags behind industrially developed countries in terms of national income per capita, wages, labor productivity, production efficiency, etc., which are the most important economic indicators. On the one hand, this shows that the service economy and all service sectors of the post-industrial society will be organized later than others, on the other



# IBAST | Volume 3, Issue 4, April

# INTERNATIONAL BULLETIN OF APPLIED SCIENCE AND TECHNOLOGY

 $UIF = 8.2 \mid SJIF = 5.955$ 

**IBAST** ISSN: 2750-3402

hand, we have an opportunity to develop service activities in a targeted manner, relying on the experience of other countries.

Until now, the production of goods and services depends on the entrepreneurial potential of the country. Increasing the entrepreneurial potential of the country is directly based on the identification of new consumption capacity. The service industry, which requires few resources, is also an important issue for our country. For this, the innovative development of the service sector, its comprehensive improvement, and the use of innovation to significantly increase its position in the economy are of great importance. Implementation of such innovations through the digital economy will lead to the creation of new types of services and rapid demand satisfaction.

The Service will be available in various forms at certain times. The change in the effect of need on demand by the human world, the development of production and industrial sectors led to the emergence of a new type of demand. And this did not bypass the services sector. We began to use innovative high-efficiency techniques and technologies in all industries and sectors. This brought the national economic system of the countries to the form of digital economy. The development of the digital economy shows that the service sector should be called the digital service sector. For this reason, we believe that it is necessary to theoretically dwell on both economic terms.

The digital economy is a multifaceted activity, in which digital information and knowledge are used as the main factor of production, the modern information network as a necessary field of activity, information and communication technologies are effectively used as a leading factor in optimizing the structure of the economy and increasing productivity[8].

Digital services are a highly modern form of service based on techniques and technologies with the help of everyday tools, which help to improve living conditions in order to satisfy various needs, desires and wishes of people.

As the digital economy develops, services will also become digital services. As a result of the provision of services by enterprises, the quality of services increases and the consumer reacts quickly to the quality of goods and services. Such a global reality in the world economy leads to the emergence of new demand and a sharp change in the form of consumption. One of the main conveniences of digital services is the availability of service to remote areas of the country, and such digital services are provided through the following means:



# Communication networks

Internet,
local networks,
special cable
transmissions, telephone
lines,
telegraph,
fax, etc.

# Special programs

Websites

programs designed for internet browsers (telegram imo, whatsapp

Facebook, Instagram

Twitter

electronic banking mobile applications, etc.) digital signature, identification codes, etc..

# **Special programs**

Websites, internet browsers, targeted programs (telegram, imo, whatsapp, facebook, instagram, twitter, electronic bank mobile programs, etc.), digital signature, identification codes, etc.

Figure 1. The main tools that form digital services are compiled on the basis of the *Author's scientific research* 

In short, digital services have become and are becoming an integral part of human development today.

In understanding the content of the service sector, the development of civilization is considered in three major stages. The content of the services in the pre-industrial society, industrial and post-industrial societies is studied with their important factors.

# **References:**

- 1. "Хизмат кўрсатиш соҳаси ва туризмни ривожлантиришнинг назарий асослари" [Монография] /М.М.Мухаммедов [ва бошқалар] Самарқанд: Zarafshon, 2017 йил.
- 2. Котлер, Ф., Маркетинг менеджмент. Экс пресс-курс. 2-е изд. / Пер. с англ. под ред. Божук С. Г. СПб.: Питер, 2006.- 464 с.
- 3. Тухлиев И.С., Ҳайитбоев Р., Ибодуллаев Н.Е., Амриддинова Р.С. Туризм асослари: Ўқув қўлланма С.: СамИСИ, 2010 247 б.
- 4. Очилов И. Бозор муносабатлари шароитида хизматларнинг турлари ва уларнинг тавсифи. // Хизмат кўрсатиш, сервис ва туризм соҳаларини ривожлантириш: муаммолар ва уларнинг ечимлари. Монография. Т.: "IQTISODIYOT-MOLIYA", 2008 йил.
- 5. Гелбрейт Д.К. Экономические теории и цели общества / пер. с англ. М: Прогресс 1979 г.
- 6. Белл Д. Грядущее постиндустриальное общество. Опыт социалного прогнозирования / пер. с англ. М: Academia 1999 с 169.
- 7. Fiscal year 2014 APPENDIX Bedget of the U.S. GOVERNMENT 751-pp.
- 8. How big is China's Digital economy? Bruegel, Working Paper, Issue 04, 17 May, 2018

