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THE RELATIONSHIP BETWEEN THE EXPORT POTENTIAL OF SMALL BUSINESS IN UZBEKISTAN AND THE ROLE OF THE POPULATION'S DIGITAL LITERACY

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Abstract: This article examines the relationship between the population's level of digital readiness and the realization of the export potential of small business entities in Uzbekistan amid the development of e-commerce. Based on an analysis of official statistical data and the results of the author's sociological survey (n=100), a disproportion is revealed between the contribution of small business to the country's GDP (52.2%) and its share in national exports (36.6%), and key limitations in the population's digital readiness are identified — primarily in the field of digital security — which constrain the integration of small business into global digital sales channels. It is shown that increasing the export potential of small business requires combining the development of e-commerce infrastructure with targeted improvement of the population's digital competencies.

Keywords: export, export potential of SMEs, e-commerce, digitalization, digital literacy.

Under the conditions of globalization, digital technologies are becoming one of the key tools for small businesses to enter foreign markets. According to the concept of "born global" companies, the use of digital platforms and e-commerce allows small enterprises to minimize the traditional barriers to internationalization that previously required significant financial and time resources [4]. However, the effectiveness of applying such tools depends directly on the level of digital literacy of both entrepreneurs themselves and the workforce engaged in export-oriented sectors.

The importance of digital readiness for realizing the export potential of small business is also confirmed by recent foreign studies. Thus, the OECD notes that, despite the potential benefits of digitalization for enhancing the competitiveness of small enterprises, their digital transformation is constrained by low awareness, a shortage of internal resources and skills, as well as financial limitations [8]. Moreover, a study by the International Trade Centre ITC (ITC), conducted across 78 countries and covering nearly 7,400 enterprises in 2025, showed that in countries with high digital readiness, 60% of enterprises operate as "advanced users" of digital tools — three times the corresponding figure in low-readiness countries; such enterprises are also 5 times more likely to increase sales volume and 12 times more likely to reduce costs compared to less "advanced" users [3].

A study on the digitalization of small business export activity in Central and Eastern European countries proposes a multilevel model of analysis that includes digital adoption at the firm level, the level of digital use in society, and the country's institutional digital environment [1] — which is methodologically consistent with the approach of this study, which considers the population's digital readiness as one of the levels of analysis of small business export potential. Similarly, an empirical analysis based on data from Chinese manufacturing exporters confirms a statistically significant positive impact of digital transformation on enterprises' export performance [10].

Despite the substantial contribution of small business to the Uzbek economy (the share of SMEs in the country's GDP in 2025 was 52.2% [6]), its participation in national exports remains noticeably lower — at 36.6% [7]. One of the factors capable of narrowing this gap is the rapid development of e-commerce: over the past five years, the volume of Uzbekistan's e-commerce market has grown approximately 22-fold, reaching about $2 billion by the end of 2025, with the sector's average annual growth rate at 30–50% [5]. At the same time, the share of e-commerce in the country's retail turnover is only about 5%, which is significantly lower than the global average of 15–20% — indicating substantial untapped potential in digital sales channels, including for export purposes.

The state is already taking steps to reduce administrative barriers in this area: under Resolution No. 885 of the Cabinet of Ministers dated December 26, 2024, legal entities, individual entrepreneurs, and self-employed persons are permitted to export goods via courier and postal services without mandatory registration of contracts in the Unified Electronic Information System for Foreign Trade Operations [9].

The realization of this potential, however, is constrained by the population's level of digital readiness. According to the results of our sociological survey (see Diagram 1) (n=100), it was found that, despite a high level of basic digital skills (85.25%) and availability of internet infrastructure (85%), competencies in digital security remain significantly lower (66.75%) — only 58% of respondents check a website's security before entering payment details, and 29% do not use two-factor authentication.

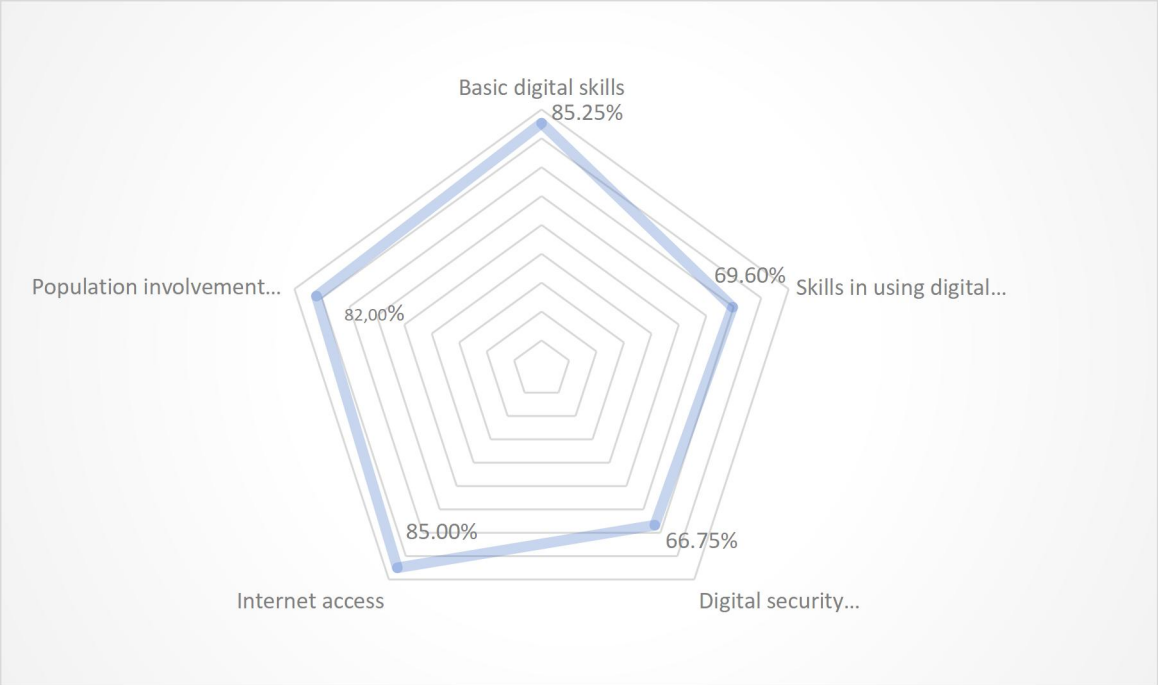


Diagram 1. - Digital literacy of the population of the Republic of Uzbekistan (in percent)[1]

These limitations pose a direct risk for small businesses working with foreign payment systems and international electronic trading platforms. Moreover, as our sociological survey showed,

[1] Compiled by the author
https://docs.google.com/forms/d/e/1FAIpQLSdeLi94MeIa7CBC6qiYwW8RWlxX7M_67im-msHqcUrSO2IJiw/closedform

respondents pointed to a significant lag in the digitalization of sectors that traditionally form the export potential of small business — industry (44%) and agriculture (36%) [3].

Thus, enhancing the export potential of small business entities in Uzbekistan under conditions of globalization requires not only the development of e-commerce infrastructure and institutional support measures, but also a targeted improvement of the population's digital competencies — primarily in the field of digital security — as a necessary condition for the successful integration of small business into global digital sales channels. The disproportion identified between the sector's contribution to GDP and its share in national exports shows that the rapid growth of the e-commerce market alone is not sufficient to translate small business's economic weight into export performance: without closing the gap in digital security competencies and without accelerating digitalization in industry and agriculture — the sectors that traditionally underpin small business export potential — the opportunities created by regulatory simplification and infrastructure investment risk remaining underutilized.

Accordingly, further policy and institutional efforts should combine several complementary directions: continued liberalization of export procedures for e-commerce operations; sector-specific digitalization programs aimed at industry and agriculture; and dedicated digital-security literacy initiatives — covering safe payment practices and the wider adoption of two-factor authentication — directed at both entrepreneurs and the broader workforce engaged in export-oriented activities. Only through such a combined approach can small business in Uzbekistan fully leverage global digital sales channels, translate its substantial contribution to GDP into a proportionate share of national exports, and secure sustainable, digitally driven growth in the years ahead.

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