

## **AGRIDIGITAL & E-COMMERCE**

### **АГРОДИДЖИТАЛ ТА Е-КОМЕРЦІЯ**

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**Abstract.** A growth of agricultural production due to digital technologies is obvious. The driver in modern trade of agricultural products is online trading platforms. The research is dedicated to the development of digital commerce transformation in agribusiness of Ukraine.

**Анотація.** Сьогодні зростання агровиробництва завдяки розвитку цифрових технологій є очевидним. Рушієм сучасної торгівлі сільськогосподарською продукцією стали електронні торговельні платформи. Дослідження присвячене розвитку цифрової комерційної трансформації в агробізнесі України.

**Аннотация.** Сегодня рост агропроизводства благодаря развитию цифровых технологий очевиден. Двигателем современной торговли сельскохозяйственной продукцией стали электронные торговые платформы. Исследование посвящено развитию цифровой коммерческой трансформации в агробизнесе Украины.

In spite of new challenges, Ukrainian agriculture has been showing growth. Ukraine has leading position in production of sunflower and sunflower oil, but also it is in TOP-10 list in corn and wheat production. The agro-industrial complex has occupied about 45 % in export structure. Ukraine is among five largest suppliers to the EU along with Argentina, Brazil, China and the USA. We are among the major raw material players in the world. These achievements became real due to capitalization, institutional changes and digital technologies. New digital reality determines quality and quantity of production and trading. Wide implementation of smart services in agribusiness also impacts on dynamic development of e-commerce. Nowadays digital transformations at all levels in agribusiness are observed at accelerated scenario. In contemporary world opportunities are expanding, and more areas are emerging for the implementation of open data both in business and in everyday life. Agridigital is the effective mechanism of economic growth.

Production and trading become faster and reliable through using principles of block chain. Clear, transparent and open rules of game are provided and covered by digital technologies and artificial intelligence. Digital tools and solutions form new reality with unique opportunities to overcome shady schemes and corruptive processes. They redesigned commerce and put prefix “e” before the term. However, digital farming and e-commerce influence on agricultural value chains and help to open full potential of agro-industrial complex. But reducing of logistics costs is still necessary.

The driver in modern trade of agricultural products is trading platforms. They help to remove barriers that do not provide added value, but create "bottlenecks" in this way. We lose trade and turnover because of inadequate tariffs and gaps in logistics systems. Therefore it was necessary to improve the organizational component of work. These way technologies positively influenced the efficiency of production and service.

Using of analytical method, comparison, structural and logical analysis, the activity of agrarian enterprises and main digital trends in agriculture were substantiated.

Global economy and rapid growth of e-commerce provide not only B2C and B2B development, but also M2C segment. It means that manufacture of products with their delivery to the consumer can be ordered and organized anywhere in the world. Nowadays online platforms offer contracts

with immediate confirmation, best price proposals, automatic checking of documents and contractors. In Ukraine large agrarian companies and small farms get services from logistics and bidding platforms or applications like Aliro Trade, APS Smart, Lardi-Trans, Logitex, LogistPro. One of such online platforms is AGROXY. It creates a network of interconnected regional agrarian marketplaces. Block chain helps to create trusted business environment and enables new services for domestic and cross-border supply chain management of agricultural commodities and beyond. Trading takes place between verified companies by duly authorized company representatives. The principle of triangulation is applied. It enables legally binding contracts backed by warehouse receipts and bank guarantees. The platform has a number of free services that can be useful to farmers including an interactive map of grain agro storage facilities, an online cost calculation for logistics, agro price index etc. The platform aims to streamline supply chain management and paperwork processes. It allows saving time and decrease risks for trade participants, increasing their profits and expanding geography of demand and supply. AGROXY works on creation of simple digital tools that can change agricultural supply chain increase yield, improving farm profits and shorten the logistics.

However, the development of e-commerce and trading in agrarian sector causes challenges. No one can guarantee your privacy today. In exchange for using free platforms, you upload your personal information. It is worth thinking about further monetization of such exchange. Next problem issue is warranty of trust between contractors. We still have an underdeveloped agricultural insurance system and high credit rates for business. Besides, small farmers have limited access to foreign markets. And also it is difficult to track the movement of goods and insist on the digitization when some regions have no Internet. In any case, agridigital will develop, and it is in our interest to accelerate this process as a competitive advantage.

### ***References***

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