

To improve the efficiency of business based on franchising, it is necessary to identify the main problems and find relevant solutions to these problems. Currently, problems are determined by the existing laws that regulate commercial activity of the companies that launch franchise business. Furthermore, there are also socio-psychological problems of franchising such as lack of domestic experience and due respect for intellectual property on the one hand, and lack of special legislation on franchising in the Republic of Belarus on the other hand.

To solve these problems the government should take steps in order to ensure the right conditions that speed up the development of business based on franchising in our country: legislation on franchise business operation should be improved in order to attract famous foreign brands to our market; a system of interest-free bank loans granted to small entrepreneurs for the acquisition of franchises should be introduced; training programmes on franchising issues as well as relevant information support system should be available; the work of public organizations dealing with promotion of franchise business development in the Republic of Belarus should be encouraged.

According to the International Association of Franchising Organizations, 8 out of 10 franchise companies are successful, since they use a proven and effective business model. Such business model requires less expenditure on advertising and promotion of the brand and is ideally suited, for example, for trade.

Obviously, necessary conditions for doing business based on franchising will give impetus to the dynamic development of a small business sector, the improvement of its sectoral structure and development of innovative capacity which as a result will allow to ensure world level of the quality of products and services offered.

References

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COMMERCIAL ACTIVITY: E-COMMERCE

Today is a period characterized by a huge increase in the volume of information. The world economy is becoming more virtual: e-banks, e-shops, e-libraries, e-exchanges [1]. In this paper I would like to give a definition of e-commerce, consider its main categories, positive and negative sides, prospects of the development.

E-commerce is a term used to describe commercial activity on the Internet. E-commerce provides the opportunity to carry out purchases, sales, services, marketing activities, conduct commercial operations by using the Internet and computer networks.

E-commerce can be divided into the following categories [2]:

- business-to-business (B2B). In this case, the company trades with another company;
- business-to-consumer (B2C). In this case, the company trades directly with the client. Example of this type of trading is online store;
- consumer-to-consumer (C2C). This method of e-commerce involves transactions between two consumers. This can be a purchase or exchange of goods.

There are several other ways of e-commerce, but they are not so popular. They are about the cooperation of both entrepreneurs and consumers with government agencies.

The advantages of e-commerce are obvious: a global scale, the ability to trade products almost all over the world, reducing costs.

For the consumer, e-commerce makes it possible to simplify and speed up the buying process, because there is no need to go to the store. And often the desired goods can be purchased at a low price.

However, there are a number of disadvantages of e-commerce. Consumers may not trust sellers on the Internet due to the existing falsification of the goods. The buyer cannot “touch” the goods with his hands. Expectation of delivery of products can take months, and with the returning can also be difficulties [3].

However, I think that the advantages of e-commerce are the potential and opportunities that outweighs the drawbacks. For Belarus, e-commerce offers only new prospects and benefits: improving the quality of communication systems, the growth of local businesses, access to export market. In my opinion, e-commerce is a very promising industry and government should pay more attention to e-commerce. Investing is necessary for the development of e-business as well as developing logistics, marketing systems and a reliable system of payments.

In conclusion I can say that e-commerce is the key direction of economic development in the 21st century. In Belarus there are many online stores with a variety of products and services, for example: belbazar24.by, oz.by, kufar.by and many others. Development of e-commerce technologies in Belarus will help to give a new quality to the Belarusian economy and it will help to compete successfully in world markets.

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