

## THE IMPORTANCE OF SALES IN THE ECONOMY OF UKRAINE (ВАЖЛИВІСТЬ СФЕРИ ПРОДАЖІВ У ЕКОНОМІЦІ УКРАЇНИ)

*Роль сфери продажів є невід'ємною частиною загальної економіки країни. Роздрібна та оптова торгівля є однією з рушійних сил внутрішньофінансового обороту. У сучасний період непередбачуваності та економічної нестабільності сфера продажів стає однією з провідних галузей як внутрішньої так і зовнішньої економіки України*

**Ключові слова:** сфера продажів, економіка, роздрібна торгівля, торговельний бізнес

*The role of the sales sector is an integral part of the country's overall economy. Retail and wholesale trade is one of the driving forces behind the internal financial turnover. In the current period of unpredictability and economic instability, the sales sector is becoming one of the leading sectors of the domestic and foreign economies of Ukraine.*

**Key words:** sales, economics, retail, sales business

In the current crisis environment, the contribution of each sector of economic activity to the development of the national economy is extremely important. Manufacturing is generally considered to be the engine of national economic development. However, while recognising the importance of manufacturing industries, the role of trade should not be underestimated, as it helps to maintain a balance between production and consumption, generates a significant portion of gross value added in Ukraine, and provides jobs for the economically active population [2].

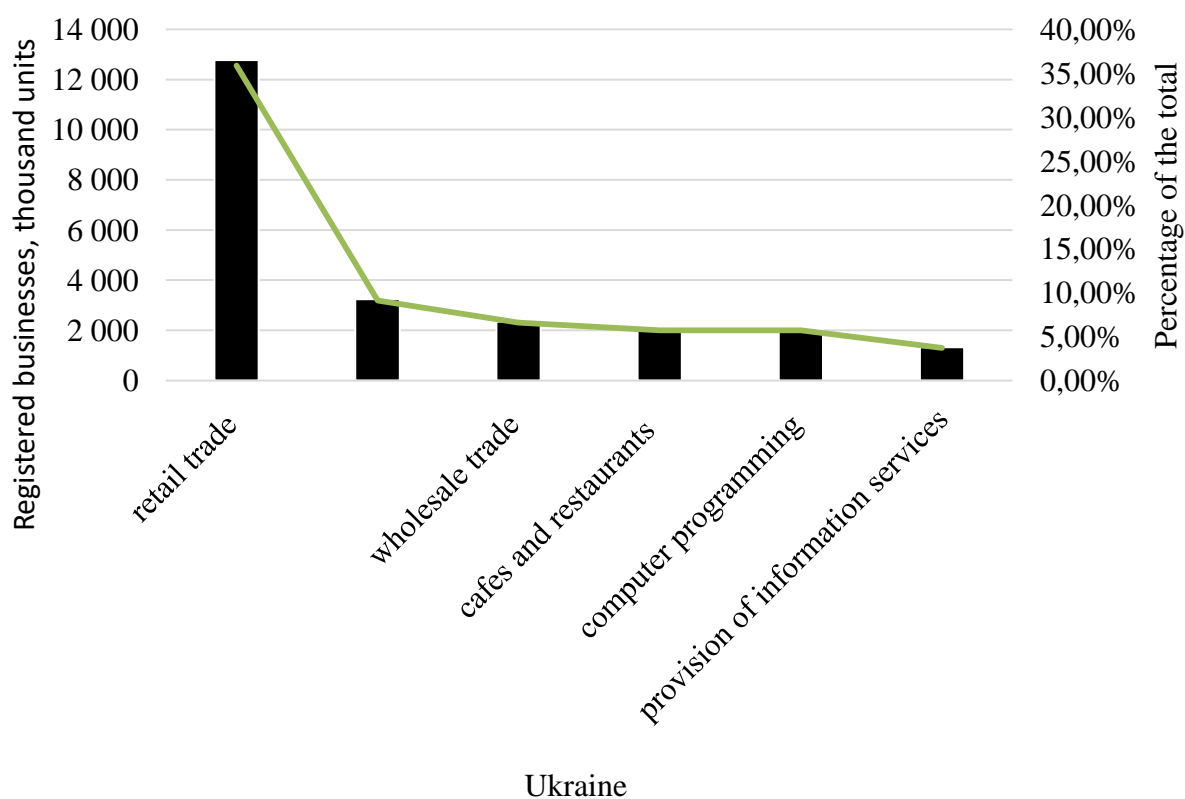
Trade activity, as one of the most important elements of the Ukrainian economy, on which the quality of life of people, economic development and competitiveness depend, is currently undergoing a dynamic transformation stage of development during the crisis.

The sales sector has a significant impact on the following aspects:

- support for economic development: the sales sector contributes to the stable development of the national economy. It plays a key role in creating gross value added in Ukraine.
- job creation: the sales industry provides a large number of jobs, which contributes to employment.
- balancing production and consumption: the sales sector helps to maintain a balance between production and consumption.
- improving competitiveness: the service sector, which includes sales, plays an important role in ensuring the competitiveness of the national economy.
- promoting innovation: the sales sector also contributes to the development of innovation, as companies are constantly looking for new and effective ways to sell their goods and services [3].

The number of newly established and registered businesses as of September 2023 can be seen in picture 1.

Picture 1. Number of newly created and registered businesses as of September 2023 in



*Created by the author based on [1].*

This figure shows that the sales sector is in the lead as of September 2023, with approximately 13,000 new businesses, which is approximately 37.0% of the total number of new businesses over this period. This analysis shows that wartime conditions did not cause the decline of the sales sector.

Efficiency in direct selling is only possible if there is proper legal regulation. Legal regulations governing direct selling activities can be classified as follows:

- laws and regulations, as well as certain provisions of regulatory acts;
- self-regulation rules set out in the Code of Professional Ethics.

In Ukraine, as well as in other countries of the world, including the EU member states, there are no special regulations governing direct selling activities as such, as this activity is a type of retail trade. However, since there are certain peculiarities of direct selling activities, namely, demonstrations of products to consumers by sellers (distributors), the nature of legal relations between sellers (distributors) and companies that own or legally use trademarks under which goods are sold, such peculiarities are regulated by the current legislation.

Commercial Code of Ukraine The Commercial Code of Ukraine contains some general provisions on ensuring economic diversity and equal protection by the state of all business entities, freedom of entrepreneurship, free movement of capital, goods and services in the territory of Ukraine, restrictions on state regulation of economic processes due to the need to ensure the social orientation of the economy, fair competition in business, environmental protection of the population, consumer protection and public safety [4].

The Law of Ukraine "On Protection of Economic Competition" (defines the legal basis for supporting and protecting economic competition, limiting monopoly in economic activity and aims to ensure the effective functioning of the Ukrainian economy through the development of competitive relations), the Law of Ukraine "On Protection against Unfair Competition" (aims to establish, develop and ensure trade and other fair practices of competition in the conduct of business) are also aimed at stimulating free competition.

### **References:**

1. Statistics of the National Bank of Ukraine. URL: <https://bank.gov.ua/ua/statistic> (accessed 24.02.2024).
2. Baranovska S.V., Ruzhytskyi A.A., Mykhailovych Y.V.. The role of the service sector in the economy of Ukraine. VIII International Scientific and Technical Conference of Young Scientists and Students. Ternopil, 2019. P. 47-52.
3. Sirenko S.O., Merezhko N.V., Ternova A.S. Features of the activity of service enterprises in the market environment of Ukraine. Intellect XXI. 2017. P. 68-72.
4. Legislative regulation of direct sales in Ukraine. URL: <http://surl.li/prlul> (accessed 23.01.2024).