УДК: 339.138:004.738.5:355.02

ONLINE TRADE DURING WAR: THE TRANSITION OF BUSINESS TO DIGITAL FORMAT

M. Chalenko, group ОКД-21
T. Riabovolyk, Scientific Advisor PhD in Economics, Associate Professo
Central Ukrainian National Technical Universit

In the 21st century, digitalization has become a key vector for the transformation of business processes across various sectors of the economy. This is particularly noticeable during crisis events, such as war, when traditional business practices become impossible or extremely risky. Online trade, as a form of electronic commerce, demonstrates the ability to flexibly adapt in an unstable environment.

With the start of the full-scale war in Ukraine in 2022, the business environment underwent significant changes. Many companies were forced to quickly change the format of their operations to preserve their viability. Online trade became not just an alternative, but the primary channel for selling goods and services. Studying the processes of business adaptation to new conditions through digital tools is extremely important for understanding the mechanisms of survival and development of enterprises in wartime.

The aim of this work is to analyze the impact of martial law on the transformation of traditional trade into the online environment, identify key challenges and opportunities for business digitalization during wartime, and develop practical recommendations for companies transitioning to digital formats.

During the war, physical infrastructure (warehouses, stores, logistics) suffered significant destruction or became inaccessible due to combat operations. At the same time, the role of online resources such as websites, mobile applications, marketplaces, and social media has increased. Thus, the trade market has undergone significant changes, which include:

- acceleration of digitalization, as businesses invested in the development and optimization of online stores, CRM systems, and payment gateways;
- logistics flexibility, namely, adaptation to new delivery conditions and cooperation with local services;
- changes in consumer behavior, as buyers began to rely more on online services due to the risks of physically visiting stores;
- the emergence of new niches, such as the expansion of the humanitarian aid market, medication delivery, and digital services;
- increased trust in online platforms, with the development of guarantees, secure payments, and open reviews.

However, alongside the opportunities, challenges have emerged, including: unstable internet connections in certain regions; migration of the customer base abroad; supply issues and rising logistics costs; cybersecurity threats and the need to strengthen the protection of personal data.

Despite these challenges, online trade during the war in Ukraine has shown not only its resilience but also its effectiveness as a tool for economic survival. Digital transformation has become not a choice, but a necessity of the times. Companies that quickly transitioned to online platforms not only maintained their positions but also managed to attract new audiences. Successful transitions are possible with investments in IT solutions, adaptive marketing strategies, and flexible management of logistics processes.

To improve the development of online trade, it is necessary to:

- create a government program to support the digitalization of small and medium-sized businesses;
- develop secure electronic infrastructure considering cyber risks;

- implement educational programs on digital skills for entrepreneurs;
- support local electronic business platforms as an alternative to large international marketplaces;
- provide tax benefits for businesses that have moved their operations online in frontline regions.

References

1. Kovalchuk, O. (2023). Online trade in Ukraine: challenges of wartime. Economics of Ukraine, 2, 45–51.
2. Ministry of Digital Transformation of Ukraine. (n.d.). Digitalization during the war. [Electronic resource]. Retrieved from https://thedigital.gov.ua
3. Chernenko, I. (2023). Transition of business to online: opportunities and risks. Business and Security, 3, 33–38.