



## **TRANSFORMATION OF BUSINESS MODELS IN THE CONTEXT OF THE DIGITAL ECONOMY**

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### **Abstract**

The digital economy has become a key driver of business model transformation across industries. Digital technologies reshape how firms create, deliver, and capture value, leading to the emergence of platform-based and data-driven business models. This study examines the conceptual foundations and key dimensions of business model transformation in the context of the digital economy using a qualitative analytical approach. The findings reveal that successful transformation requires not only technological adoption but also strategic and organizational change. The study contributes to the theoretical understanding of digital business model innovation and provides a basis for future empirical research.

**Keywords:** digital economy, business model, transformation, digitalization, platform economy, innovation

### **Introduction**

The digital economy has become one of the most influential forces shaping modern business and economic development. Rapid advancements in digital technologies such as artificial intelligence, big data analytics, blockchain, cloud computing, and the Internet of Things have fundamentally transformed the way organizations operate, compete, and create value. These technologies have not only accelerated economic processes but have also redefined the structural foundations of traditional business models.

In the pre-digital era, business models were largely built on linear value chains, physical assets, and stable market boundaries. Firms focused on optimizing internal processes, reducing costs, and achieving economies of scale. However, the emergence of the digital economy has disrupted these conventional assumptions by enabling real-time data exchange, virtual interactions, and global connectivity. As a result, value creation has shifted from product-centered logic to customer-centric, data-driven, and



network-based approaches. One of the defining characteristics of the digital economy is the growing importance of intangible assets such as data, digital platforms, algorithms, and intellectual capital. These assets allow firms to scale rapidly, personalize offerings, and establish multi-sided markets. Consequently, businesses are increasingly required to transform their models in order to integrate digital technologies into their core strategic activities rather than treating them as supportive tools. Business model transformation in the digital economy is not limited to technological adoption. It represents a comprehensive process that affects organizational structures, governance mechanisms, revenue models, and relationships with stakeholders. Companies must reconsider how they deliver value to customers, how they capture value through innovative monetization strategies, and how they collaborate within digital ecosystems. Platform-based business models, subscription services, and data monetization strategies exemplify this fundamental shift.

The digital economy intensifies competitive pressure by lowering entry barriers and enabling new market players to challenge established firms. Startups leveraging digital platforms and agile business models can rapidly disrupt traditional industries. This forces incumbent companies to continuously adapt and innovate their business models to maintain relevance and sustainability in an increasingly volatile environment. The growing relevance of this topic, academic research on business model transformation in the digital economy remains conceptually fragmented. Existing studies often focus on individual technologies or isolated case analyses, without sufficiently addressing the systemic nature of business model change. There is a clear need for integrative research that examines digital transformation as a multidimensional process involving strategic, organizational, and technological dimensions.

The objective of this study is to analyze the transformation of business models within the context of the digital economy, identify its key drivers and structural components, and systematize emerging trends in digital business model innovation. By doing so, the study seeks to contribute to the theoretical development of digital economy research and provide practical insights for businesses aiming to achieve sustainable competitive advantage in the digital era.

This study adopts a qualitative research design aimed at exploring the transformation of business models in the context of the digital economy from a theoretical and conceptual perspective. Given the complex and multidimensional nature



of digital transformation, a qualitative approach is considered appropriate for capturing structural changes, strategic dynamics, and contextual interdependencies that cannot be fully explained through quantitative indicators alone. The research is based on a systematic review and analytical synthesis of academic literature in the fields of digital economy, business model innovation, strategic management, and information systems. Peer-reviewed journal articles, monographs, and authoritative conference proceedings were selected as primary sources to ensure academic rigor and theoretical relevance. The literature selection process focused on studies that examine the impact of digital technologies on value creation, value delivery, and value capture mechanisms.

To structure the analysis, the study employs a conceptual framework that integrates classical business model components with digitally driven elements. Traditional dimensions such as resources, processes, and revenue structures are compared with emerging digital dimensions including data utilization, platform governance, network effects, and ecosystem participation. This comparative approach enables the identification of key transformation patterns between conventional and digital business models.

### **Conclusion**

The study demonstrates that the digital economy fundamentally transforms business models by reshaping value creation, delivery, and capture mechanisms. Digital technologies enable firms to move beyond traditional linear models toward platform-based, data-driven, and ecosystem-oriented structures. Business model transformation in the digital economy is not solely a technological process but a strategic and organizational shift requiring adaptability, innovation, and continuous learning. The findings emphasize that sustainable competitiveness increasingly depends on a firm's ability to integrate digital capabilities into its core business logic. This research provides a conceptual foundation for future empirical studies on digital business model innovation.

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