

In Focus

Impacts of E-Commerce in the Global Networked Economy

The Internet and E-Commerce are bringing countries together to create a global networked economy. Internet technology is said to have no regard for national borders, but the people and companies that use the technology function within very different national environments. A research program being carried out by the Center for Research on Information Technology and Organization (CRITO) at the University of California, Irvine, examines the global diffusion of Internet-based E-Commerce, how national environments and policies influence E-Commerce use within countries, and the economic and social impacts of E-Commerce. It addresses the following general issues: (1) How do global trends such as technology innovation and economic liberalization influence international diffusion of the Internet and E-Commerce? (2) What national environmental factors and policies influence the diffusion of E-Commerce use within individual countries? (3) What are the social and economic impacts of E-Commerce, and how are they affected by national environments and policies?

This project examines the impacts of E-Commerce on a multi-country basis. It includes selected country case studies looking at the growth of e-commerce nationally, and also in more detail in three critical industry sectors: information and communications technology (ICT), financial services, and retail. These studies serve as a basis for identifying key environmental and policy factors that influence the diffusion and

impacts of E-Commerce. In addition, data is being collected on E-Commerce globally in over 40 countries on E-Commerce revenues and on environmental factors, such as income, education, telecommunications infrastructure and others, that might have an impact on e-commerce use. This data is being used to identify trends and to analyze the relationship between environmental factors and use. More detailed data is being gathered on the three industry sectors to use in comparative analysis. The combination of qualitative and quantitative methodologies facilitates study of new, fast-changing E-Commerce innovation in a very fluid market environment.

The project, under the direction of Prof. Kenneth L. Kraemer (kkraemer@uci.edu) Prof. Jason Dedrick (jdedrick@uci.edu), is being carried out by a team of researchers from around the world. The effort is led by CRITO, but involves collaboration with experts from Brazil, Denmark, China, France, Japan, Mexico, Singapore, Taiwan, the United States and Germany. The research is part of the Globalization of E-Commerce project of CRITO, based upon work supported by the National Science Foundation.

This In-Focus presents excerpts from the first studies prepared in this CRITO project, by experts in Brazil, Mexico and Taiwan. Full text of the papers, including tables, charts and reference notes, is available from the CRITO website: <http://crito.uci.edu/publicationis/pdf/>.