

**10<sup>th</sup> World Telecommunication/ICT  
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**TITLE:** Measuring e-Commerce



## Measuring e-Commerce

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## What is electronic commerce?

### □ A working definition

- ✓ OECD: An e-commerce transaction is the sale or purchase of goods or services over computer mediated networks (broad definition) the Internet (narrow definition).
- ✓ Payment and delivery of the good or service can be offline.
- ✓ Orders received or placed by telephone, facsimile or conventional mail are excluded.

What about mobile commerce?



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## Challenges with e-commerce

- Access to ICT infrastructure (Internet, broadband)
- Access to affordable ICT services
- Electronic payment infrastructure (quality/price)
- E-commerce platforms
- Legal framework to build trust
- Delivery and distribution network (transports)
- Literacy
- Branding/recognition



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## *Opportunities for developing countries*

### AS EXPORTERS

- Access markets domestically and internationally
- Overcome distance
- Fragmentation
- Offshoring of services
  - ✓ BPO
  - ✓ ITO
  - ✓ KPO

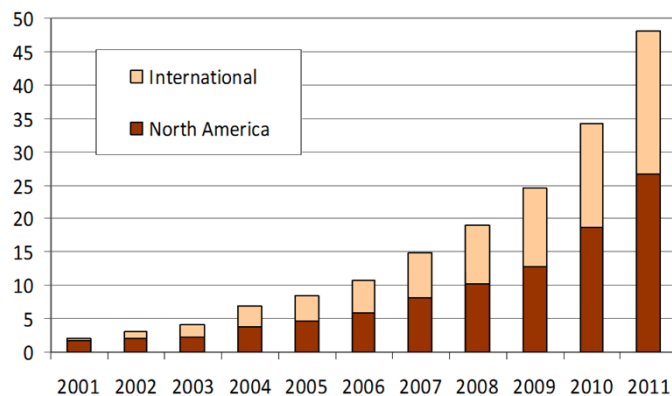
### AS IMPORTERS

- Access to goods and services at lower prices (consumers)
- Competition
- Access to knowledge and technology

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## E-commerce is growing fast

Amazon net sales 2001-2011 (USD billions)  
*from \$2.5 billion to \$48 billion – ~44% outside North America*



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## Current e-commerce measurement

*Limited data*

- Very little official statistics on e-commerce
- Private data sources
  - ✓ Varying, opaque methodologies
  - ✓ Limited geographical coverage, focus on developed countries
  - ✓ Expensive
- Only partially covered by Partnership's Core Indicators
  - ✓ Orders received or placed by enterprises (UNCTAD) or placed by individuals in a household (ITU) over the Internet.
    - Do not measure *value* of transactions
    - Do not capture *domestic vs international dimension*
    - Do not consider *impacts* of e-commerce

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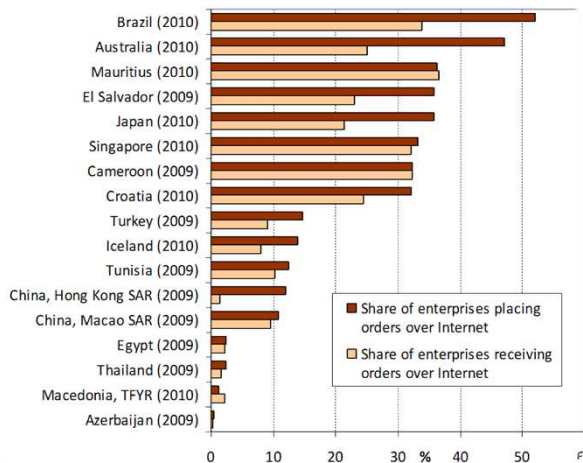
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## What do UNCTAD data show? (1)

Share of enterprises using e-commerce varies considerably



- More than half of all enterprises in Brazil place orders on the Internet
- More than 95% of enterprises in Egypt, Thailand and Azerbaijan do not...

Source: UNCTAD

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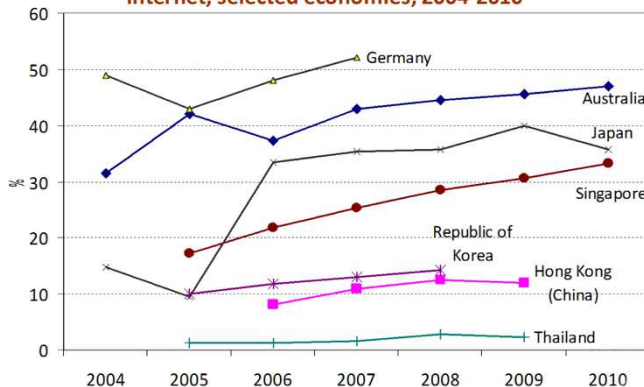
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## What do available data show? (2)

E-commerce use on the rise in some places but not others

Share (%) of enterprises placing orders over the Internet, selected economies, 2004-2010



Source: UNCTAD

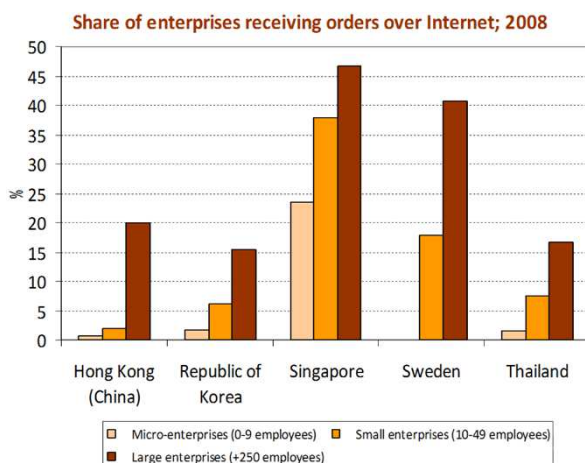
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## What do available data show? (3)

*Large enterprises use e-commerce more than small ones*



Source: UNCTAD

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## Key questions

- What is the current status of e-commerce measurement?
- What trends in e-commerce should be measured?
- How can official and private sources contribute to e-commerce measurement?
- What is needed to get more and better data on e-commerce? What are the main challenges?
- What can be regarded as good practices in the area of e-commerce measurement?
- Should the *Partnership* add new core indicators on e-commerce?

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