Contribution to WTIM-12 session

SOURCE: UNCTAD
TITLE: Measuring e-Commerce
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?
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

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
E-commerce is growing fast

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

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
What do UNCTAD data show? (1)

Share of enterprises using e-commerce varies considerably

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

Source: UNCTAD

What do available data show? (2)

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

Source: UNCTAD
What do available data show? (3)

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

Source: UNCTAD

---

**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?