

ONLINE COMMERCE AN UNRIVALED SLEEPING GIANT

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Abstract

The next economic recovery market will painfully realize that the companies that are leading their respective economies are the very same entities that annalists have *blacklisted* dotcom or startup companies. In few short years internet commerce is a common-place phenomenon where it would be difficult to conceive of a vigorous economy in its absence. The farfetched claims of this work, which is written within the current *dark days* of e-commerce, will be considered in the future as the stating the obvious.

1. Presentation Overview

The shortsightedness of General Motors and Ford Corporation who decided to forgo their online sales and end their online support will become very clear very soon. These companies and few others who chose this path will be forced to reinvest, rebuild and restore their abandoned online businesses once again [4]. This overview examines regional and global data on existing and future internet users to illustrate the existence of strong demand for e-commerce which is currently curbed due to the recent economic downturn [8, 10].

Initially travel and health sites would continue to drive internet usage, and as the economy recovers, visits to almost all e-commerce sites will increase by a degree of magnitude. We suspect the increase in internet traffic will be the greatest outside of the United States where the number of new visitors is now estimated to grow 3% to 5% per year [7]. However, this study also recognizes the fact that the forecasted revenue by e-commerce for the year 2004 still places North America as the leader in generating sales of more than \$3.3 trillion, followed by Asia Pacific at \$1.6 trillion, Western Europe at \$1.5 trillion, Latin America at \$.82 trillion, and the remaining world sectors at \$.69 trillion [1, 2, 11].

2. Expected Outcomes

It should be noted that, at least for the next decade, the rate of internet usage will grow at a much faster rate than that of the population. In 2001, there were 445 million people online worldwide, 130 million of which were in North America. By 2004, the total number of internet users worldwide is estimated to reach 634 million and, the internet users in North America growing to 190 million. In the year 2000 the total e-commerce were \$433 billion, 2001 \$920 billion, 2002e \$1.9 trillion, 2003e \$3.6 trillion, 2004e \$6 trillion [5, 9]. Needless to say, that these estimates do not include the usage of number of other devices such as mobile phones and TVs [3].

We have examined other research papers that have addressed the same issues and questioned the predictability value of past historical observations to forecast sales and yet the actual and estimated worldwide B2B and B2C E-commerce overwhelmingly support the explosion of E-commerce in the next economic upturn [6].

Table 1 Proportion of Payment Mechanisms In The US, 2000 - 2010

YEAR	2000		2005		2010	
	Vol. (\$ Tril.)	% Of Total	Vol. (\$ Tril.)	% Of Total	Vol. (\$ Tril.)	% Of Total
Paper	3.41	65.2%	3.45	51.3%	3.24	38.2%
Cards	1.60	30.6%	2.54	37.6%	3.92	46.4%
Electronics	0.22	04.2%	0.74	11.1%	1.30	15.4%
TOTAL	5.23	100%	6.73	100%	8.46	100%

Source: *The Nilson Report*. December 2001

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