# Chapter VI Diffusion of E-Commerce in Developed and Developing Countries: Comparative Studies

## ABSTRACT

Based on the theoretical framework revealed in Chapter V, this chapter is intended to investigate the country-specific roles of governments, private organizations, and consumers and the status of infrastructure development and the market mechanism of some developed and developing countries in terms of EC diffusion. In this connection, EC diffusion status and role of different stakeholders are analyzed for developed countries: USA and Denmark, developing countries with stronghold in ICT: Mexico and India, and developing countries: Bangladesh and Ghana.

### 6.1. CASE STUDIES

Drawing inference from the proposed E-commerce (EC) diffusion framework in Chapter V, in this chapter we aim to investigate, identify, and illustrate the overall condition of some developed and developing countries in terms of EC diffusion. In Chapter V, we noted that EC diffusion depends on the critical roles of the stakeholders of EC. We also developed a framework of diffusion comprising some critical factors, namely *Government role, capability, and globalization policy; Private* 

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organizations' capability; Consumers' preferences; Global E-organizations' mission; Infrastructure, human development, and the market mechanism. Now in this chapter, we will view some cases of EC diffusion in the light of that framework. As cases, we will analyze the business-to-consumer (B2C) EC diffusion status of several developed and developing countries, grounded on the theoretical framework of diffusion proposed in Chapter V. Then we will contrast those factors for different countries, which we will analyze in the case studies section, in respect to the diffusion in the respected countries. We will divide this chapter into 2 sections with the second section in subsections.

National environment and country demographics that represent government policy, consumer preferences, social and cultural values, and overall country status in terms of technology infrastructure and economical strength are key features for globalization of the Internet-based economy (Gibbs, Kraemer, and Dedrick, 2003). Different countries have significantly different positions in respect to their capability of adopting and also diffusing B2C EC in their domestic environment. In this section, we aim to investigate country-specific roles of governments, private organizations, and consumers and the status of infrastructure development and the market mechanism. Shedding light on those factors in any specific country and the globalization policy, we then contrast international E-retailers mission for that country. Finally, we will evaluate EC diffusion status in that country based on the observed roles of the stakeholders of EC.

Developed countries are in a good position to develop their capability in relation to diffusion of EC. North American, Western European, and some Asian countries show strength in this respect. However, some developing countries also exhibit bright promise concerning diffusion factors for an ICT-based Internet economy. These countries include India, Brazil, China, Mexico, South Africa, Singapore, Taiwan, and Hong Kong. Nevertheless, most of the developing countries are really at a premature stage in light of the roles of different stakeholders of EC diffusion identified in Chapter V. So, we will investigate several countries, selecting from the previously mentioned three groups, viz., developed countries, developing countries with a stronghold in the ICT sector and high prospects for diffusion of EC, and less developed countries. We will investigate the status of six countries in the light of the diffusion framework. The countries that we plan to focus on—based on social, cultural, political, technological, and economical variability—are:

- 1. Developed countries: USA and Denmark,
- 2. Developing countries with stronghold in ICT: Mexico and India, and
- 3. Developing countries: Bangladesh and Ghana.

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