E-commerce Europe: 2003

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Abstract: With the continuing recovery of the European Economy, e-commerce in Europe is growing in almost all areas at unprecedented rates. With wider availability of broadband services in homes, consumers have increased on-line purchases and have a high interest in banking and brokerage services. Since 2000, internet banking has almost tripled to 60 million customers. Music, movie, film, and adult entertainment sites led the way for broadband users. Some sites are offering discounts to purchasers. There is a marked difference in usage by northern Europeans at much higher rates than their southern European counterparts. Business to business (B2B) sales and services are on the rise, particularly by companies with over 250 employees. Some analysts now feel that that with the enhanced use of B2B, Europe is close to becoming a borderless market. Larger firms lead the way in purchases. Increased B2B and B2C sales have resulted in Web advertising making a comeback. The impact of WiFi and LAN is less than predicted. Sales are increasing rapidly. B2B is expected to grow to over USD$310 billion in 2003 and at a rate in excess of 65% a year to over USD$1,040 in 2006. B2C is expected to reach over USD$59 billion in 2003. The UK, Germany, France and Italy lead the way with 70% of e-commerce revenues. IT spending is expected to pick up again in 2004, after its worst decline in 2002 and a small recovery in 2003. This paper covers European e-commerce from late 2002 through the present (November/December 2003) with some longitudinal data included in the analyses. It appears that marketing at the entrepreneurship interface is still alive and well in e-commerce.