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GENERAL TRENDS AND FEATURES OF DEMAND AT ELECTRONIC TRADE MARKETS WORLDWIDE

The article describes the features of demand for goods and services at e-trade markets around the world. On the basis of the proposed by the author model studying the characteristics of electronic trade globally common trends and features of its formation are identified. General trends in electronic trade of developed and developing countries are analyzed, the most distinctive features are outlined.

Keywords: e-trade; e-commerce; demand; electronic market.

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ЗАГАЛЬНІ ТЕНДЕНЦІЇ ТА ОСОБЛИВОСТІ ПОПИТУ НА РИНКАХ ЕЛЕКТРОННОЇ ТОРГІВЛІ РІЗНИХ КРАЇН СВІТУ

У статті розглянуто особливості попиту на товари та послуги на ринках електронної торгівлі різних регіонів світу. На основі розробленої моделі дослідження особливостей розвитку електронної торгівлі на світовому ринку виявлено її загальні тенденції та особливості формування. Проаналізовано загальні тенденції розвитку електронної торгівлі в розвинутих країнах та країнах, що розвиваються, встановлено відмінні риси.

Ключові слова: електронна торгівля; електронна комерція; попит; електронний ринок.

Рис. 2. Табл. 1. Літ. 16.

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ОБЩИЕ ТЕНДЕНЦИИ И ОСОБЕННОСТИ СПРОСА НА РЫНКАХ ЭЛЕКТРОННОЙ ТОРГОВЛИ РАЗНЫХ СТРАН МИРА

В статье рассмотрены особенности спроса на товары и услуги на рынках электронной торговли разных стран мира. На основе разработанной модели исследования особенностей развития электронной торговли на мировом рынке выявлены ее общие тенденции и особенности формирования. Проанализированы общие тенденции развития электронной торговли в развитых и развивающихся странах, установлены отличительные черты.

Ключевые слова: электронная торговля; электронная коммерция; спрос; электронный рынок.

Introduction. At the present stage of world economy development the system of international relations is based largely on information and communication technologies. Trade, as one of leading forms in international relations, is no exception. E-trade development has a significant impact on retailers, seeking to optimize their logistics chain for providing consumers the opportunity to get products or services in a particular place and a particular time. However, the global market actors build their e-trade system of supply and sales, focusing on the determinants of civilizational development and consumer population preferences of a given region, thus forming an international system of electronic trade characterized by a certain level of asymmetry (Vaquero, 2013). Studying the demand at world e-trade markets would help establishing the competitive advantage of market actors and predict its further transformation at a certain stage of economic system development.

Latest research and publications analysis. The works of E. Avdokushyn (2001), A. Chuchkovska (2007), I. Martynovich (2005), O. Matviyenko (2008), M. Oklander

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Infrastructural development of the country has a significant influence on the development of electronic trade and shaping the related demand. It greatly varies in different regions of the world. According to the UN Conference on Trade and Development (UNCTAD) at the beginning of 2015 the number of Internet users exceeds 2 bln, with more than 20% of the total is China's population, 10.1% is the USA population. During the last 3 years the number of users of the global network in the US increased by 19.1%, and in China – almost in 4 times (Information economy report, 2015), indicating the increasing of interest of developing countries population to innovative tools and information dissemination and active involvement of ICT in various spheres of life. It should be noted that developing countries demonstrate a dynamic spread of the Internet. Thus, in Algeria during 2010–2014 the number of Internet users increased in 7 times, in Egypt – in 4 times, in India – in 3 times (Information economy report, 2015).

At the beginning of 2015, according to UNCTAD most exes on computer hardware and software are typical for the countries such as Sweden (51.3% of total expenditure on information and communication support; 3.2% of GDP), United Kingdom (45.4% of total expenditure on ICS; 3.2% of GDP) and the USA (45.1% of total expenditure on ICS; 3.3% of GDP). The lowest rates are typical for African countries, such as Nigeria and Zimbabwe, where the costs of computer hardware and software companies makes up less than 1% of GDP (Information economy report, 2015).

Thus, it can be stated that e-trade development is closely related to the level of a country development. Although the rate of e-trade increasing in developing countries is much higher than in developed ones, because of certain features adnerent to transition to the next stage of electronic trade development (Roger et al., 2001)

As noted above, the most dynamic growth rates of e-trade is the feature of developing countries. According to Figure 2, leading position in the world in terms of e-trade volumes soon will be taken over by Asia. The volume of e-trade in the region, according to experts, in the period from 2013 to 2017 will increase more than 3 times. If in 2013 the largest share of the global volume of e-trade fell on North America, in 2014–2015 Asian electronic turnover almost 2 times bigger than that of North America (B2C e-commerce sales worldwide from 2012 to 2018). This is due to intensive economic growth of such countries as China, Japan, India, S. Korea and others. As noted in the Global Wealth Report 2014, "strong equity markets helped countries in the old world, which have large existing asset bases, to match the rapid growth in assets in the new world, which relies more on new wealth creation spurred by GDP growth and high savings rates. For example, private wealth grew by double digits in the USA and Australia, while some emerging markets, such as Brazil, showed substantially weaker growth. China will continue to consolidate its position as the second-wealthiest nation, after the US" (Global Wealth 2014: Riding a Wave of Growth).

At the beginning of 2014 according to UNCTAD, in the world there were 1,079,600,000 buyers, who purchased goods or services via B2C e-commerce. 56% of these customers were citizens of 10 countries such as China, the USA, Japan, Germany, Great Britain, Russia, S. Korea, France, Brazil and Canada (Information economy report, 2015).

There is a trend that in the countries with the highest number of consumers within e-trade shopping the average cost of purchased products is less, while in the

countries such as the UK and Japan the purchase price is much higher, although the number of buyers is several times lower than in China. The basis for such characteristics of e-commerce is that in developed countries the level of trust to this form of is much higher because of the relevant regulatory acts as well as due to the fact that the speed of e-business development in these countries is much higher. Thus, while in developing countries e-trade only starts to grow, involving large number of doubtful online acquisitions, in developed countries more and more attention is paid to valuable consumer goods.

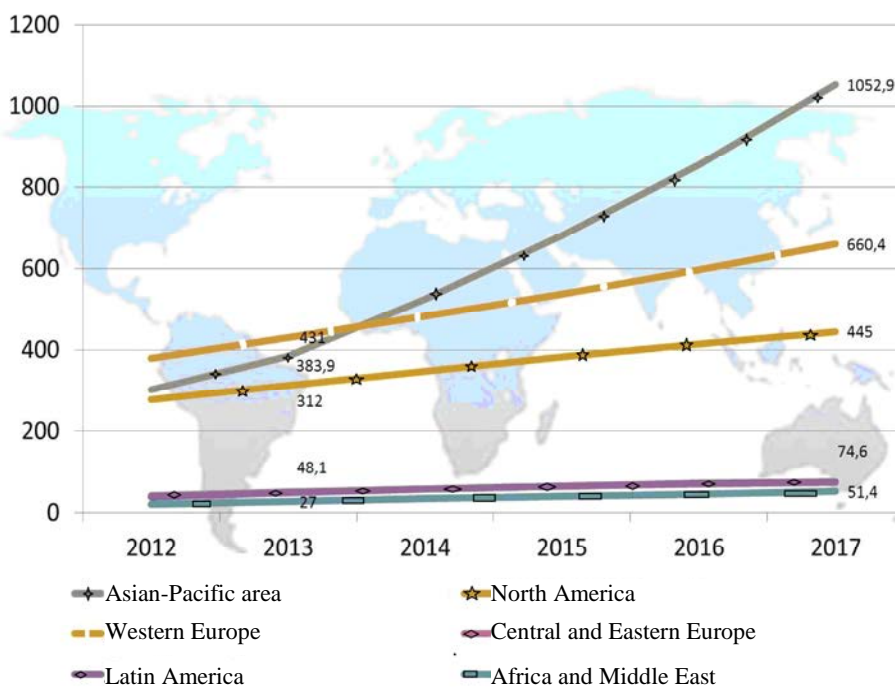


Figure 2. E-trade Dynamics by the world regions, bln USD
(Information economy report, 2013–2015)

In Table 1 the electronic trade assortment structure in different regions of the world is presented. Among Asian countries the highest percentage of purchasing goods via e-trade transactions are observed. Only such categories as cars and motorcycles, pet products, flowers and alcohol are characterized by minor performance. In Asian countries demand for purchasing goods via electronic technology is from 30% to 60% of the total demand, in European countries the share is from 10 to 35% (Information economy report, 2015). It is because of the fact that at this stage of development of the e-trade market the main actors are highly specialized sales representatives, and the most common goods are real estate. Developing countries are far behind developed economies when it comes to e-commerce infrastructure formation. Taking into account the high rate of e-trade development in developing countries, it can be assumed that in the next 10–15 years, the global market would be very much changed, but soon the leading position in the world would belong to most developed

countries, because of their mature markets and logistics networks. Undeveloped infrastructure is a cause for poor performance of e-trade within the system of trade relations of the Middle East, Africa and Latin America. In these regions air tickets and travel services are the most popular categories, which indicates low level of the corresponding local retailers development.

Table 1. Assortment structure of e-trade in different regions, % of the total trade (Information economy report, 2015)

Product group	Asia	Europe	Middle East and Africa	Latin America	North America
Clothing	57	34	26	28	42
Electronics	41	25	26	29	30
Travel services	53	33	35	32	43
Airline tickets	59	34	39	36	43
Mobile phones	44	22	28	27	22
Computers	36	23	25	20	29
Books	50	30	22	24	37
Software	33	19	27	18	27
Electronic books	43	22	29	23	35
Sports goods	42	19	20	19	21
Music	33	19	21	19	30
Video, DVD, games	32	21	23	21	33
Cosmetics	43	21	19	20	21
Goods for care facilities	43	17	18	14	16
Grocery	41	14	15	11	14
Toys and dolls	40	16	18	17	24
Machinery and motorcycles	20	13	16	11	15
Goods for animals	26	15	14	11	19
Goods for children	29	12	16	11	12
Flowers	21	11	16	10	21
Alcohol	25	9	11	8	10

In the leading countries of North America multi-channel e-trade strategy led to significant changes at the logistics market. Such strategies include the integration of sales channels (stores, Internet sites and mobile platforms), which allows consumers choose a suitable model of order, delivery and return. In addition, in this region such leading e-trade players at the global market as "Amazon", "Ebay", "Staples", "Wal-Mart" and others began its development. That is why the leading categories of goods purchased under electronic transactions in North America are clothes, books, travel services and tickets.

Of special interest from the standpoint of e-trade are the former Soviet Union countries, where economic relations are actively developed by business entities only in the beginning XXIth century. In the commodity structure of e-trade in these countries consumer electronics, clothes and auto details dominate. The fastest growing category is clothing, most blue to gradual realization by consumers that they can return goods, which did not suit by size or style, without any problems (Review of the Russian market of e-commerce: Internet trade in 2013).

A typical example of regional peculiarities in the general trends of the global e-trade market is the demand for goods in Russia. If in the world ranking the leading

positions are occupied by such goods as books, tourist services and software, in Russia these products are not popular (Review of the Russian market of e-commerce: Internet trade in 2013). One reason for this is the absence of the related legal framework. Copyright legislation is rather weak, that is why books, music, software are freely available online for free and this eliminates the need to purchase them.

A similar trend is observed in Ukraine, although the demand here has certain peculiarities. Despite the fact that the basis of electronic trade in Ukraine, as in other countries of the former Soviet Union, is electronics and appliances (almost 50% of the total volume at the e-market), a significant place in its structure belongs to a variety of services such as advertising, hosting and online games. In addition, popular purchasing are electronic books, CD/DVD drives, cosmetics and perfumes, clothing, children's products (Karpenko, 2013). Market research of e-trade in Ukraine show that consumers prefer purchasing goods within medium price category over the Internet. Food is of almost no demand, because of having a short shelf life. Category "luxury" is also not that popular due to the fact that consumers are afraid of buying such things without preliminary check for quality.

So, the analysis of demand for goods in the international electronic market allowed us define the following features:

1) in the countries with the highest number of consumers at the electronic market the average cost is less than in developed countries, where the value of purchases is much higher, but the number of indicators are several times lower than in developing countries;

2) among Asian countries the highest percentage of purchasing goods within the e-trade transactions are observed, among countries of Latin America and Africa – the lowest percent, due to the low level of information and logistics infrastructure development;

3) consumers from the countries with transition economy prefer to purchase products online within the average price category, but in recent years the tendency of increasing cost of purchased goods is observed.

Conclusions. Internet spread and the increasing number of its users have spurred the development of regional and global e-trade. However, different levels of socio-economic development, quality of infrastructure facilities had a significant impact on the implementation of e-trade mechanisms in global economic relations. Thus, international electronic trade is characterized by high levels of asymmetry both in the development of infrastructure, and in the behavior of market actors. Studying the demand for goods and services at e-trade markets around the world would help predicting its further transformations also establishing the key determinants that affect its formation and development.

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