

DIGITAL ECONOMY DEVELOPMENT PHASE: RETROSPECTIVE ANALYSIS ON E-BUSINESSES ACROSS EUROPE

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ABSTRACT

Technological development and digitization phenomenon, which are having a very powerful presence into our societies and economical systems, are stimulating an irreversible and major change for the socio-economic systems at world-wide level. Initiation, integration and development of technology and digitization in economical systems is based on social, financial and economic purposes, the main objectives for this being the increase of economic efficiency by rationalization of production factors, change the allocation philosophy of resources, redefinition of organizational culture, rebuilding the management systems and so on. This paper is presenting a literature review, determining the relevancy of e-business analysis in front on digital economy development phase.

KEYWORDS: *development analysis, digital economy, e-business, e-commerce*

1. INTRODUCTION

Digitization phenomenon, based on Internet usage, ICT technologies, cloud computing, digital application, digital devices and other technologies, has a huge impact on the economic system world-wide, fundamentally changing business models and economic models, starting from the phase where they are initiated and ending up in the phase where they produce optimal results. This aggressive development of these technologies determined an irreversible change on the global economy which is continuously developing, completely shifting business models from many industry sectors.

Digitalization, based on the technologies mentioned a priori, is at the level where it can integrate the most complex business processes, which humans can hardly manage or cannot manage at all. Automatization, representing a more mature concept, is now paired and further developed by digitalization, helping hard industries to increase their efficiency and change their know-how, by the digital implementation of economic modeling algorithms, machine learning and artificial intelligence. Also, digitalization is creating the opportunity of new business models with low risks to the capital.

Enterprises have now the possibility to sell goods or services world-wide, no matter where they are (Elia, et al. 2016). Digitalization considerably contributed to liberalization of the markets and the growth of the local economies, by enhancing the selling areas, supported by e-Commerce platform. Because of the digital development, the concept of digital economy appeared, with high economic and social impact, but no common acceptance regarding its definition so far.

The objective of this paper is to analyze the definitions and literature vocabulary, trying to offer the best description on digital economy and how it's improving our economic system.

This will sustain to further determine the most appropriate way to measure digital economy and the place of e-businesses in this process. The research methodology is based on literature review and focused on the researches made in this field so far. This research aims to analyze current definitions

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