

RESEARCH ARTICLE

GLOBAL MARKETING BEHAVIOR: ANALYSIS OF TOP E-COMMERCE REVENUE FROM 9 MAJOR COUNTRIES IN 2023

Hilda*

Tanjungpura University, Pontianak, Indonesia

*Corresponding Email Author: hilda.judiarto@ee.untan.ac.id

This is an open access article distributed under the Creative Commons Attribution License CC BY 4.0, which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.

ARTICLE DETAILS

Article History:

Received 20 March 2024
Revised 14 April 2024
Accepted 21 May 2024
Available online 23 May 2024

ABSTRACT

This research aims to investigate and analyze the highest e-commerce revenues from nine major countries in 2023, focusing on China, the United States, the United Kingdom, South Korea, Japan, and Indonesia as countries with significant contributions to e-commerce revenues globally. From a Theory of Marketing perspective, the theoretical foundation for this research includes key contributions from Alderson & Cox, Bartels, and Tucker in the development of marketing theory. The research method used is a descriptive quantitative approach using secondary data from the ECDB e-commerce research institute report presented by katadata.co.id. Analysis was carried out on trends and growth patterns in the e-commerce sector based on this data. This research concludes that global e-commerce growth will experience a significant increase in 2023, with China leading as the country with the largest e-commerce revenue, followed by countries such as the United States, United Kingdom, South Korea, Japan, and Indonesia.

KEYWORDS

E-commerce revenue, Growth trends, Theory of marketing.

1. INTRODUCTION

In the current digital era, e-commerce has become one of the most dynamic and rapidly growing sectors in the global market. This growth is not only reflected in the number of transactions but also the revenues generated by this sector. Therefore, it is important to conduct an in-depth analysis of e-commerce revenues from various countries as a leading indicator of e-commerce activity at the global level. The latest report from the German e-commerce research institute, ECDB, presented by katadata.co.id, provides a comprehensive picture of e-commerce performance from various countries in 2023. Through this report, we can understand the trends and patterns of industry growth e-commerce at the global level and the factors that influence the success of e-commerce in various countries. This research aims to investigate and analyze the highest e-commerce revenues from nine major countries in 2023, focusing on China, the United States, the United Kingdom, South Korea, Japan, and Indonesia as countries with significant contributions to e-commerce revenues globally.

An in-depth analysis of e-commerce revenues from key countries will provide valuable insights into current global market dynamics and future growth potential. China, as a leader in the global e-commerce industry, has shown strong growth in e-commerce revenues, recording impressive numbers in 2023. The United States, with a large and developed economy, also has a significant contribution to e-commerce revenues globally. Meanwhile, the United Kingdom, South Korea, Japan, and Indonesia each have unique characteristics in their e-commerce development, which are worthy of further investigation. By understanding the factors that influence e-commerce success in these countries, we can identify existing opportunities and challenges and formulate more effective marketing strategies at a global level.

However, even though e-commerce revenues have increased significantly in some countries, there are still challenges and obstacles that need to be

overcome. From uneven digital infrastructure to regulatory and security issues for online transactions, various factors can influence the growth of e-commerce in a country. Therefore, an analysis of e-commerce revenues from different countries not only provides an overview of the success of the industry but also shows the challenges faced and opportunities that can be explored in the future. In the context of ongoing globalization, understanding global marketing behavior is the key to achieving success in the increasingly competitive e-commerce industry. Therefore, it is hoped that this research can provide a valuable contribution to our understanding of global market dynamics and effective marketing strategies in facing future challenges.

This research has significant benefits in enriching the understanding of the dynamics of the e-commerce industry at the global level. By analyzing e-commerce revenues from nine key countries in 2023, this research provides deep insight into trends and patterns in global market behavior. The main benefits include identifying existing business opportunities and understanding the challenges faced by business people in developing their e-commerce business. The findings from this study can also be a valuable contribution to future research in the field of global marketing and e-commerce, helping in the development of better theories and conceptual frameworks. In addition, the results of this research can be used as a basis for better decision-making in planning and implementing marketing strategies at the global level, helping business leaders make more informed and effective decisions. Overall, it is hoped that this research will provide broad benefits for stakeholders in the e-commerce industry and support the development and growth of e-commerce businesses throughout the world.

2. THEORETICAL BASIS AND PRIOR RESEARCH

The theory of Marketing was an important contribution to the development of marketing theory (Alderson and Cox, 1948; Bartels, 1968; Tucker, 1974). Two researchers, through the article "Towards a Theory of

Quick Response Code



Access this article online

Website:
www.mbmj.com.my

DOI:
10.26480/mbmj.01.2024.62.66

Marketing" published in the Journal of Marketing in 1948, put forward basic concepts such as exchange and marketing functions which became the basis for understanding marketing (Alderson and Cox, 1948). Then, in the article "The General Theory of Marketing" published in the Journal of Marketing in 1968, made an important contribution in summarizing and compiling general marketing theory (Bartels, 1968). Also, in the article "Future Directions in Marketing Theory" published in the Journal of Marketing in 1974, discussed the future direction and development of marketing theory (Tucker, 1974). All of this is a key contribution to establishing a theoretical foundation and in-depth understanding of marketing principles and their role in the economic and societal context.

The definition of Theory of Marketing is a collection of concepts, principles, and explanations used to understand and explain marketing phenomena in the context of economics, business, and society. It includes various theories and conceptual frameworks developed by marketing experts, such as all of these researchers that have been mentioned above, that aid in the understanding of how marketing functions, how value is created and transferred in exchange, and the role and strategies of marketing in achieving business goals and meeting consumer needs (Alderson and Cox, 1948; Bartels, 1968; Tucker, 1974). Thus, the Theory of Marketing provides an important intellectual foundation for practitioners and academics in planning, implementing, and evaluating marketing activities.

In this literature review section, five studies related to global e-commerce will be briefly explained. The first review begins with a study of global e-commerce, created by the convergence of information and communications technologies, transcending the boundaries of business while changing the global economic landscape of the 21st century (Javalgi and Ramsey, 2001). Although it is still in the early stages of development, its impact has been enormous in recent years. Various parties (such as individuals, institutions, governments, and countries) around the world are starting to realize the benefits. Given its importance and unprecedented growth potential, research is needed that addresses the various issues of e-commerce, especially the dimensions influencing its growth and its role as a new electronic distribution channel. This article provides a framework for analyzing the issues involved in utilizing the Internet as a global distribution tool. While focusing on this theme, this article also provides a discussion of the key elements influencing global e-commerce diffusion and future research directions.

The second review is research that examines the Internet revolution which is growing rapidly. Countries that have not yet adopted e-commerce technology will face new obstacles in their efforts to develop their economies (Aljifri et al., 2003). Standing in the way of these countries' efforts to adapt to e-commerce technology are several key issues that can be broadly defined as trust barriers. Instead of viewing trust issues as obstacles, one should view them as assets. Presents a conceptual model and framework that highlights key factors in business trust relationships in developing countries, information security, technical and industrial infrastructure, education, government, and socio-cultural factors. These factors are considered in the context of various types of e-commerce business transactions that occur within and across borders such as business-to-business (B2B), business-to-consumer (B2C), consumer-to-business (C2B), and consumer-to-consumer (C2C).

The third review is on research on the topic of the classic model of organizational ecological dynamics which is used to describe an ecosystem called the internet, by making an analogy between the population ecological model and the current global e-commerce environment (Javalgi et al., 2005). The method used is to apply survival theory to global e-commerce, using the Verhulst-Pearl logistics equation to describe growth constraints in an ecosystem. The research results show that when applying the Verhulst-Pearl equation to the worldwide internet environment, factors such as the number of domain names or number of hosts, the rate of increase or decrease in the number of domain names, and the availability of information technology infrastructure become important parts of the equation. These findings suggest that population dynamics models can be used to describe current growth patterns in the internet environment. The practical implication of this research is that the application of population ecology to international growth dynamics can shed light on the long-term survival and differentiation strategies that influence success. This also suggests that the evolution of companies on the Internet, to be the most durable, should follow the path of being a low-cost producer with a focus on meeting consumer needs on the Internet. The ecological approach in this research allows managers to assess the effectiveness of their organizations in the internet environment and design strategies appropriate to global environmental changes and challenges. The originality of this research lies in the use of the population ecology conceptual framework for further investigation by researchers

and practitioners, as well as the operationalization of the organizational ecology model for applications on the internet as an extension of existing literature.

The fourth review, a study of Internet use has exploded exponentially over the last decade (Jain Palvia, 2014). At the end of 1998, there were an estimated 128 million people connected to the Internet worldwide, a number that is expected to increase to over 300 million by 2005. The Internet was originally conceptualized for rapid information access, dissemination, research, and security over networks world (WWW) of data stored on connected databases. Over time, the WWW has developed into a body of human knowledge - from architecture, astronomy, and biology to telemedicine, video conferencing, and zoology - that can be accessed from anywhere by anyone at any time. The Internet can easily be used to share information by various business parties along the global supply chain. Intranets use Internet technology to share organizational data cheaply and easily over private networks. Extranets (or extended intranets) connect companies with their suppliers and customers using the Internet infrastructure again - the WWW and browser software.

Finally, a review of the intention to continue using m-commerce and its impact on the price sensitivity of m-commerce customers in Indonesia (Susanto et al., 2023). This study also incorporates contextual factors, such as perceived risk, trust, efficiency, and functional benefits, into the model to investigate their impact on m-commerce user satisfaction. Additionally, this study examines how the efficiency and functional benefits of m-commerce influence price sensitivity. This study uses an online questionnaire to collect data from m-commerce users in Indonesia. The hypothesis was tested using the partial least squares technique with Smart-PLS. This study shows that users' satisfaction with mobile commerce has a significant impact on their intention to continue using it, which in turn influences their price sensitivity. This study found that perceived risk, trust, efficiency, and functional benefits are significant determinants of satisfaction in using m-commerce. This study also found that trust, efficiency, and functional benefits influence the continued use of m-commerce, while perceived risk is not an intervening variable for continuance intention among m-commerce users. Moreover, the results show that perceived risk, trust, and functional benefits influence users' price sensitivity, whereas efficiency is not found to be a determinant in influencing price sensitivity. However, this study found that continued use intention and satisfaction respectively mediate the relationship between efficiency and price sensitivity, as well as the relationship between functional benefits and price sensitivity. The results of this study will be useful for managers and practitioners who have difficulty maintaining their customers' continued intention to purchase their products and services.

3. RESEARCH METHODS

This research uses a quantitative descriptive approach to analyze trends and patterns in the growth of the e-commerce sector based on secondary data from the ECDB e-commerce research institute report presented by Katadata.co.id. The data that will be used includes information about e-commerce revenue, online market share, industry growth, and consumer trends from various countries, including Indonesia. The data collection method is carried out by extracting relevant information from ECDB reports available online.

4. DISCUSSION

According to the latest report from the German e-commerce research institute, ECDB, nine countries will record the highest revenues from the e-commerce sector in 2023 (Santika, 2024). China leads as the country with the largest e-commerce revenue, reaching US\$2.17 trillion with growth of 4.5% from the previous year, and a global online market share of 32.1%. In second place is the United States (US) with revenues of US\$981.9 billion and an online market share of 37.1%. The UK took third place with revenues of US\$157.8 billion and an online market share of 55.7%. Furthermore, South Korea and Japan recorded revenues of US\$139.9 billion and US\$124.8 billion respectively. Indonesia is also on the list, ranking eighth with revenues of US\$72.8 billion and an online market share of 55.7%, which is an increase of 5.8% from the previous year. The report covers B2C trade in physical goods with VAT from 150 countries analyzed, with total e-commerce revenues reaching US\$2.2 trillion. It is important to note that China's revenue also includes contributions from regions such as Hong Kong and Taiwan, while the UK includes all of its territories including Scotland, Wales, and Northern Ireland.

4.1 Author's opinion

Record high e-commerce revenues from various countries indicate strong growth in global online commerce. China as the main leader shows continued dominance in the e-commerce market, with its share of the online market continuing to grow. Meanwhile, significant growth from other countries such as the United States, United Kingdom, South Korea, and Japan indicates that there is great potential in this sector throughout the world. Indonesia's inclusion on this list also highlights positive growth in its digital economy. Overall, this report shows the importance of e-commerce in the global economy and confirms its key role in changing consumer shopping behavior as well as companies' future marketing strategies.

This report has several important implications:

- **Digital Economy Growth:** Recorded revenues indicate strong growth in the digital economy, indicating that e-commerce is becoming an integral part of global economic activity.
- **Changes in Consumer Behavior:** The growth of e-commerce also reflects changes in consumer behavior, with more and more people turning to online shopping to fulfill their needs.
- **Market Potential:** Countries with high e-commerce revenues demonstrate large market potential for companies operating in this sector, both locally and internationally.
- **Possible Marketing Strategies:** Companies need to adapt their marketing strategies to emerging e-commerce trends, including a focus on online platforms, customized customer experiences, and increased visibility in the online marketplace.
- **Increased International Collaboration:** Contributions from regions such as Hong Kong, Taiwan, and other countries demonstrate the importance of international collaboration in developing an inclusive and sustainable e-commerce ecosystem.

By understanding and responding to these trends, companies can take advantage of the opportunities available in the global e-commerce market and strengthen their position in intensifying business competition.

4.2 Problems and solutions

For the global context, although data shows significant growth in the e-commerce sector in various countries, several problems can be identified:

- **Economic Inequality:** Even though countries like China, the United States, and the United Kingdom dominate in e-commerce revenues, there are still other countries that lag in terms of digital economic growth. This can create economic inequality between technologically advanced countries and those that are still developing.
- **Access Limitations:** Despite increasing e-commerce growth globally, there are still challenges regarding accessibility and digital infrastructure in some regions. This can hinder the growth of e-commerce in countries that still have limited internet infrastructure.
- **Consumer Protection:** The growth of e-commerce has also raised concerns regarding consumer protection, including the security of online transactions, data privacy, and consumer protection against fraud and unethical business practices.
- **Dependence on Online Markets:** Although a large online market share shows great potential for e-commerce growth, too much dependence on certain online platforms can also create risks for business actors, especially in terms of platform policies and market competition.
- **Balance Between Conventional and Digital:** The growth of e-commerce also raises questions about the balance between conventional and digital commerce, as well as its impact on physical stores and the local business ecosystem.

To overcome the problems associated with the growth of the e-commerce sector, here are some solutions that can be considered:

4.2.1 Economic inequality

- Encourage international cooperation and technology transfer to developing countries to increase capabilities and equality in the digital economy.
- Make appropriate investments in digital infrastructure to ensure equal

accessibility and connectivity across regions.

4.2.2 Access limitations

- Develop internet infrastructure in remote areas or with limited access, such as building broadband internet networks and providing cheap access to technological devices.
- Encourage private investment and government support to expand the reach of digital infrastructure.

4.2.3 Consumer protection

- Implement strong regulations to protect consumers in online transactions, including transaction security, data privacy, and effective handling of consumer complaints.
- Provide education and awareness to consumers about online risks and how to protect themselves.

4.2.4 Dependence on online markets

- Encourage diversity of e-commerce platforms and reduce dependence on one particular platform by encouraging healthy competition in the digital market.
- Strengthen the regulatory framework to ensure fairness and transparency in digital platform policies.

4.2.5 Balance between conventional and digital

- Drive an omnichannel strategy that integrates conventional and digital experiences to increase interactions between customers and local businesses.
- Provide incentives and support for digital transformation for conventional businesses, including digital skills training and technology assistance.

By implementing these solutions, it is hoped that we can reduce barriers and increase the benefits of global e-commerce growth, as well as ensure broader economic inclusion and sustainability in digital transformation.

For the Indonesian context, based on data on Indonesian e-commerce revenue in 2023 of US\$72.8 billion with an online market share of 55.7%, several problems can be identified. First, limited digital access and infrastructure are still a major obstacle, especially in remote areas or with limited internet access. Second, the security of online transactions is a major concern, requiring further steps to protect consumers from fraud and data leaks. Third, the need for clear and up-to-date regulations is very important to create a healthy business environment and protect consumer interests. Fourth, digital inclusion needs to be increased so that the benefits of e-commerce can be enjoyed equally by all levels of Indonesian society, requiring investment in digital skills training and access to technology. Lastly, Indonesia is also faced with competition with global e-commerce companies, demanding increased competitiveness and marketing strategies to be able to compete in an increasingly global market. By overcoming these problems, Indonesia can strengthen its position in the digital economy and increase the benefits of e-commerce for economic growth and social inclusion in the country.

To overcome the problems identified in the growth of e-commerce in Indonesia, here are several solutions that can be implemented:

4.2.6 Equitable digital infrastructure

- Investing in the development of digital infrastructure in remote areas or with limited internet access, including providing broadband internet access and developing a wider telecommunications network.
- Encourage cooperation between the government, private sector, and international institutions to ensure equitable digital infrastructure throughout Indonesia.

4.2.7 Online transaction security:

- Implementing advanced security technology and implementing strict regulations related to the protection of personal data and online transactions.
- Educate consumers about online security practices and increase their awareness of the risks of fraud and data leaks.

4.2.8 Appropriate and current regulations

- Develop a clear and up-to-date regulatory framework to govern e-commerce, including consumer protection, e-commerce taxes, and online transaction security.
- Ensure effective implementation and legal enforcement of existing e-commerce regulations.

4.2.9 Digital inclusion

- Providing wider accessibility to digital skills training for the Indonesian people, including affordable online and offline training programs.
- Encourage the use of easy-to-use and user-friendly technology to ensure that all levels of society can access and utilize e-commerce services.

4.2.10 Marketing strategy and competitiveness

- Encourage local product and service innovation to increase competitiveness in the global e-commerce market.
- Providing support and incentives to local businesses to improve their capabilities in digital marketing and adapt to changing consumer trends.

By implementing these solutions, it is hoped that Indonesia can overcome obstacles to the growth of e-commerce and strengthen its contribution to the global digital economy, as well as ensure broader and sustainable social inclusion.

5. PERSPECTIVE FROM MARKETING THEORY

From a Theory of Marketing perspective, the various problems faced by Indonesia in the e-commerce industry can be overcome with appropriate strategies and approaches. The following are solutions that can be implemented:

- **Digital Infrastructure and Access Limitations:** Adopting market and product approaches that suit local conditions is key to overcoming digital infrastructure limitations. For example, developing e-commerce applications that are lightweight and friendly for low data usage can improve accessibility in remote areas. In addition, investment in digital infrastructure, such as providing wider and more stable internet access throughout Indonesia, is also needed to reduce the digital divide.
- **Online Transaction Security:** Through this approach, e-commerce companies can increase consumer confidence by ensuring the security of online transactions. Implementing advanced security technologies, such as data encryption and dual authentication systems, can help protect consumers from fraud and data leaks. In addition, counseling and educating consumers about online security practices is also important to increase their awareness.
- **Clear and Up-To-Date Regulations:** From a Theory of Marketing perspective, the government can play a role in creating a healthy business environment by formulating clear and up-to-date regulations. Adequate regulations on consumer protection, data privacy, and protection against unethical business practices will create greater trust between consumers and e-commerce businesses.
- **Digital Inclusion:** Through this approach, e-commerce companies can increase digital inclusion by providing digital skills training for Indonesians, especially those living in remote or disadvantaged areas. Apart from that, providing access to technology and the internet at affordable prices is also important to ensure that the benefits of e-commerce can be enjoyed equally by all levels of society.
- **Increasing Competitiveness and Marketing Strategy:** From a Theory of Marketing perspective, Indonesian e-commerce companies can increase their competitiveness and face competition with global e-commerce companies through product differentiation, service, and customer experience. Innovative use of technology and adaptation to local needs can also be effective strategies. Additionally, developing smart and effective marketing strategies, including the use of social media and digital marketing, is also important to increase brand visibility and appeal in the global market.

6. RECOMMENDATION

To overcome the problems that exist in the e-commerce industry in

Indonesia, both users and the government can take the following steps:

6.1 Recommendations for users

- **Education and Awareness:** Users need to increase their knowledge about the security of online transactions and safe practices in shopping online. Taking training or workshops on digital security can help them understand the risks and how to protect themselves from online fraud.
- **Use of Security Technology:** Users need to adopt security technology, such as antivirus and firewall, on their devices to protect personal and financial information when transacting online. Apart from that, users can also use secure payment methods, such as credit cards with additional security features.
- **Carrying out Verification:** Before carrying out a transaction, users need to ensure that the e-commerce site they are visiting is trustworthy and trustworthy. Verifying the reputation of sites and sellers, and reading reviews from other users can help avoid online fraud.

6.2 Recommendations for government:

- **Formulation of Comprehensive Regulations:** The government needs to develop comprehensive regulations to protect consumers in e-commerce transactions. These regulations should cover aspects such as personal data protection, security of online transactions, and law enforcement against unethical business practices.
- **Investment in Digital Infrastructure:** The government needs to increase investment in digital infrastructure, including fast and affordable internet networks throughout Indonesia. This will help reduce the digital divide between urban and rural areas and increase e-commerce accessibility for underserved communities.
- **Education and Training:** The government can facilitate education and training programs to improve people's digital literacy and technology skills. This can be done through collaboration with educational and training institutions, as well as e-commerce service providers to provide relevant programs.
- **Collaboration with Industry:** The government needs to work together with e-commerce industry players to develop standards and best practices for maintaining consumer security and trust in online shopping. This collaboration can include providing resources and training for sellers, as well as auditing and monitoring business practices.
- **By implementing these recommendations,** it is hoped that it can improve the online shopping experience for users and create a safer and more trustworthy environment in the e-commerce industry in Indonesia.

7. CONCLUSION

The conclusions from the analysis carried out are as follows:

- **Global E-commerce Growth:** E-commerce revenues from various countries experienced significant growth in 2023. China leads as the country with the largest e-commerce revenues, followed by the United States, the United Kingdom, South Korea, and Japan. Indonesia also recorded positive growth in the e-commerce sector.
- **Challenges and Issues:** Despite the increasing growth of e-commerce, there are still several challenges that need to be overcome. These challenges include economic inequality, limited access to digital infrastructure, security of online transactions, dependence on certain online markets, and the balance between conventional and digital trade.
- **Solutions and Recommendations:** To overcome the challenges faced, solutions such as increasing investment in digital infrastructure, implementing strong regulations related to online transaction security and consumer protection, and strengthening marketing strategies and competitiveness can be taken. Apart from that, education and digital skills training are also important to increase digital inclusion in society.
- **Development of a Theory of Marketing Perspective:** The Theory of Marketing approach provides a view of how companies can respond to the challenges faced in the e-commerce industry. From a marketing perspective, companies can adopt strategies that suit local conditions, improve the security of online transactions, and strengthen their competitiveness through product and service innovation.

By implementing these solutions, it is hoped that Indonesia can overcome obstacles to e-commerce growth and strengthen its contribution to the global digital economy.

REFERENCES

- Alderson, W., and Cox, R., 1948. Towards a Theory of Marketing. *Journal of Marketing*, 13 (2), Pp. 137-152.
- Aljifri, H. A., Pons, A., and Collins, D., 2003. Global e-commerce: a framework for understanding and overcoming the trust barrier. *Information Management & Computer Security*, 11 (3), Pp. 130-138. doi:10.1108/09685220310480417
- Bartels, R., 1968. The General Theory of Marketing. *Journal of Marketing*, 32 (1), Pp. 29-33.
- Jain Palvia, SC., 2014. Global E-Commerce and Global Supply Chain Management. *Journal of Global Information Technology Management*, 3 (3), Pp. 1-6. doi:10.1080/1097198x.2000.10856280
- Javalgi, R., and Ramsey, R., 2001. Strategic issues of e-commerce as an alternative global distribution system. *International Marketing Review*, 18 (4), Pp. 376-391. doi:10.1108/02651330110398387
- Javalgi, R.G., Todd, P.R., and Scherer, R.F., 2005. The dynamics of global e-commerce: an organizational ecology perspective. *International Marketing Review*, 22 (4), Pp. 420-435. doi:10.1108/02651330510608442
- Santika, EF., 2024. Global e-Commerce Market Share Projection until 2028, Significant Increase? Retrieved from <https://databoks.katadata.co.id/datapublish/2024/04/30/projecti-pangsa-pasar-e-commerce-global-besar-2028-naik-signifikan>
- Susanto, P., Hoque, ME, Nisaa, V., Islam, MA, and Kamarulzaman, Y., 2023. Predicting m-Commerce Continuance Intention and Price Sensitivity in Indonesia by Integrating of Expectation-Confirmation and Post-acceptance Model. *SAGE Open*, 13 (3). doi:10.1177/21582440231188019
- Tucker, W.T., 1974. Future Directions in Marketing Theory. *Journal of Marketing*, 38 (2), Pp. 30-35.

