

Portugal & Internet

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Abstract

Since the Internet has become a business tool instead of merely a research network, both large and small businesses have the opportunity to explore how to use it in order to become more productive and competitive. At the same time, media reports have speculated how the Internet will allow businesses to access a global-wide customer base up to millions. It is now better known that although there may be a large number of users on the Internet and that the potential of doing business with these users does exist, it is nonetheless not straightforward, or at least getting business directly from the Internet is not as simple as it was first thought. Advertising and broadcasting "make-money-fast" opportunities only end up attracting disapproval instead of actual business. However, does it mean that the once-promising global network has lost its charm; or rather that harnessing the potentials of the Internet requires a more in-depth learning process? With the newer concepts such as the intranet or even the extranet, there are more opportunities to exploit the Internet technology beyond its existence as a common global network to encompass enterprise-wide networks and inter-organisational systems. Given all these developments, what are the effects on small businesses as traditional commerce, can small businesses use the Internet to become more competitive and responsive to the global market? No doubt, the Internet is ushering in an age of sweeping change that will leave no business or industry untouched. Like a central nervous system, the Information Highway courses around the globe, making all manner of commerce instantly possible.

As a final conclusion we can say that the objective of this article is to show the regional asymmetry in Portugal in the use of Internet and make a brief characterisation of the influence in the use of Internet on the traditional commerce. We will use data from INE to show these asymmetries and compare districts.

1. Introduction

With the Internet, multimedia, mobile telephony and group work software, the “new society” has spread to the countryside as well as to the cities. As well as a new way of working and training even miles away, electronic commerce for tourism, local products, etc, is all new forms of activities. The word "globalisation" may not be very polite or attractive. But nobody, absolutely nobody, who desires to move forward, can or dares to ignore it.

Information and communication technologies (ICTs) seem somewhat paradoxical. In a way they remember us the economy’s globalisation of markets’ internationalisation, networking on a planetary scale and other heavy tendencies over which it seems difficult to have any influence. On the other hand, their relevance to local development seems evident, since it is the transformation of industries and services that is at stake, as is the future of work and employment.

Three aspects of external communication have been strengthened and these are already within the reach of small and medium-sized enterprises or local organizations. The **first**, and by no means the least, concerns advertising, brand image, information on a company’s clients or suppliers, and even tourist information, the development of the local heritage or the promotion of rural activities. The **second** aspect concerns the very operation of companies and local authorities: relations with partners, suppliers and clients are becoming increasingly interactive in real time, whatever the distance between them. There are important consequences in terms of flexibility and adaptability.

Finally, the **third** aspect concerns the development of on-line services, which can be accessed by the general public.

But connection to global networks does not only imply making oneself known, getting to know and distributing one’s services and accessing information. It also enables resources not available locally to be accessed, whether in terms of services to companies or community services, for example in the areas of health or education. Symmetrically, it can promote local resources on a wider market or to a wider public.

Advanced communications technologies can be beneficial for a remote region or area in planning the development of new activities.

2. Why talk about e-commerce

Whether a simple fashion statement or a real revolution, the e-marketplace concept has been steadily growing since spring 1999. These websites allow interaction between buyers and sellers and let companies buy online their office supplies, raw materials or computer hardware or software at the best price. Each retailer can compare himself to the competitors, and adjust prices in real time. This concept is still specific to certain products, but e-marketplaces, which offer simpler transactions for buyers, also force many sellers who aren't willing to participate, to lower their prices, and therefore their profits as well. So, one can ask: are e-marketplaces reshaping companies? Of course, the panorama shows us that companies are changing.

The growing interest for the Internet market places specific to various industry sectors also touched Europe, according to a Forrester Research study. Within the European Union, the turnover generated by these virtual market places should pass from current 500 million Euros to 900 billion Euros in 2005. Some 6% of all commercial transactions between the companies will be carried out via Internet. Yet, the research shows that the European managers that use today platforms B2B for their transactions are still being wary. The managers surveyed show little confidence in electronic B2B trade. Two problems raise most concern. 53% of the European companies have doubts about the legal environment of the commercial deals on the Net and approximately 48% of the questioned companies are worried about the security of the transactions and the abusive use of commercial information passed via Internet market places.

In European Union there is a bright future for online B2C commerce, according to the most recent survey carried out by study institute Jupiter, in the seven European countries where Internet is most developed. The survey showed that Internet users spend more online in countries where a large proportion of the population uses the Web: in Sweden, where 51% of the population have Internet connections, the average amount spent by Internet shoppers per year is 1043 Euros, while in France, where only 18% of the population use the Web, the average amount was only 520 Euros. The study results also showed that the longer consumers have been using the Web, more they are likely to shop online and more they are likely to spend: 11% of consumers who have been using the Internet for less than a year have done purchases online, against 41% of those who have been using the Internet for more than two years; more than one third of novice

Internet users spent less than 100 Euros online, against only 13% of veteran users. As the number of Internet users is expected to keep on growing, B2C online commerce still has an important potential for development; Jupiter tones down current shortcomings in the e-commerce market are due to funding and consolidation problems, in other words to crisis of growth.

The figures of Portuguese that have access to Internet reach the value of 33%, value that had increased 12% between February and September of 2000, data published by IDC Portugal, in the study " Internet Home".

In the same paper we can see that in February of the same year, 26% of the Portuguese show interest in accedes to Internet, between this populations 25% of them had already a computer.

The percentage of that shows "no interest" in knows the Internet suffer a decrease from the 50% to 41%, in September. However, 25% of the population inquired do not use computer and do not show any interest in Internet.

In the field of electronic commerce we can see that only 5% of the Portuguese that use Internet make, effectively, their shops online.

Using this data from IDC, figures shows that women accede to Internet less than men. The numbers of men going to Internet are bigger and they, also, spend more money shopping online and more time navigating in the system.

B2B e-commerce born in Western Europe. The recent study by e-commerce technology strategy analyst AMR Research shows that the turnover of online B2B transactions in Western Europe should reach 4300 billion dollars in 2004, compared to 50 billion in 1999. E-commerce should then represent 21% of all B2B transactions.

According to a study from Forrester Research, European companies are not capitalising on the potential of electronic marketplaces because the legal environment is failing to adapt. The security and confidentiality of these B2B platforms are not sufficiently advanced at the same time as contracts concluded offline are peppered with confidentiality clauses. According to the report, companies should insist on their marketplace guaranteeing them correctness and sincerity, rather than accepting to trade blindly. This means that laws on confidentiality and digital exchange will finally apply to B2B data exchanged in e-marketplaces.

3. Demand and Supply

Clients still, always impatient. In the industrial economy, consumers had small direct power in the available markets. Certainly they chose their products thinking in the money they had. They looked for comfort in known brand names, because the choices were limited and there were real differences between products were not well known.

Firms that anticipated what customers really needed were lucky and consequently had success. But in the end, producers had to take hard decisions: which types of consumers necessities they should answer, which market they should serve, which products and variations of products should offer and how much they should ask.

Nowadays consumers are taking decisions, and are having by basis the new order word: value. The value looked by consumers is what success firms of digital economy will give.

But how the consumer of digital economy analyses the value? There are many proposals of traditional values of quality, price and brand name. These ones did not disappear, but suffered an evolution and gained a new affirmation and significance in the digital economy. Also there are new proposals of value, as quantity of time that a product or service take or give. Consumers want to have the product to use in different ways, change it, and adapt their digitals characteristics and transform the product in what they really want.

A new generation of informed consumers is starting to entry in the market, and the number is increasing during the next decade. If we look to a child of five years old, generally more competent with the mouse than with paper and pen, we can see clearly in which road is going the behaviour of the consumer. Every time more and more the consumers are very well informed, have a high level of familiarity with information technology and are very curious. The youngest generation cannot understand a world without computers and connectivity. They know how to find what they want and the advantages of buying through Internet.

This increase in the power of the consumer had very diffused repercussions. To be competitive a firm should offer products made by size, services very specific to satisfy the necessities of the individual consumers. Delivers should be done in opportune time, reasonable prices as currents pardons of quality and confidence.

What this means? That firms in the digital era should use processes of development where products interact dynamically with clients, should execute a control

more effective and rigorous related with global tendencies, cycles of time decrease drastically and raw material are obtained rapidly and in an effective way in terms of costs, methods of distribution should satisfy the convenience of the client and not the firm. Summarising, the free flux of information that appears in the digital era that put the consumer in the centre of priorities and firms strategies.

To put these concepts clear, we need to look at what is making the impulsion of demand of consumer in the digital economy:

Looking for time, the world is a place much more rich than in the first days of the industrial economy. With this richness came many materials expectative, as well as a change in the work' vision, that pass from the end in it self to the improvement of the quality of life. Specifically consumers are using the increased richness to look for more ways to maximise the leisure time.

Rhythm of life, there is an increase demand for products and services that can permit us to work better, faster and productively. Products that allow us to save time are understudied as products that offer value.

Information assimilation, digital era give to people the easy access to information, this implies a demand of instruments that help the assimilation of information faster and take decisions more easily. Consumers need products that can help them choosing the information that has importance.

Communications, with the universal availability of e-mail, digital telephones, pagers and others emergent forms of electronic communication, consumers now have the capacity, without precedents of obtaining re-information immediately, and make more specific requisitions, from the firms that sell them goods and services. Many consumers check the sites of theirs producers, and also participate in important public groups of discussions online before making a big shop. They can compare electronically their opinion with others consumers, communicate questions, frustrations directly to the producer.

4. Evolution of the market

When the economy slumped in the late 1980s and early 1990s, it became clear that a fundamental shift in emphasis was required in order to bring about recovery. The traditional industries of the past could no longer be relied on for future, or even present, prosperity. The result was that companies woke up to the fact that graduate employees were a valuable asset.

The analysis of the national productive structure concerning to the medium structure of the EU reveals that, after a period of convergence (1985-1991), the approach tendency that had been observed stabilized, having maintained an identical structure between 1993 and 1995 in the relative weights of the activity sectors. However, we can observe in the structure of the Portuguese economy the prevalence of the tertiary sector (63% of Value Added), although representing an inferior weight to that observed in the EU (66%), while the primary and secondary sectors assume larger expression in Portugal.

The employment sector structure shows that the employment in Portugal has a very important weight in the primary sector compared with the EU average (13% in 1997 against 5 % for the EU).

About the Secondary sector, the values for Portugal and for the EU are very similar. On the other hand, the weight of the Tertiary sector in Portugal is lower to then in the EU (52,4% for Portugal and 65,6% for the EU).

Table 1 - Employment by Sectors (%)

	EU		Portugal		Northern Region	
	1993	1997	1993	1997	1993	1997
Primary	5,7	5	10,8	13	12,3	12,3
Secondary	31,7	29,5	31,4	30,4	42	40
Tertiary	62,6	65,6	53,2	52,4	45,7	47,7

Source: INE, Eurostat

National firms, finally, obviously also suffer an evolution in the last years, and was unfair saying the opposite. Today are technologically more developed,

commercially more aggressive and with a better structure than fifteen years ago. Today are much better firms than they were, but still being, more than everything, national firm. Portuguese firms many times refuse to continue the fight when the causes seems lost and continue, frequently, connected to old habits and traditions. Limit their resources instead of giving them freedom; ignore and give little attention to their clients instead of being preoccupied with their pleasure and satisfaction; worried with their quality instead of being worried with the quality of the world where they are insert.

We have to analyse every step before give it; prepare the destiny before live it. Firms are very preoccupied in living and not in navigate.

Majority of firms refuse to accept the road of change and innovation as a road without end and destiny, which has value, independently of where finish or where take us. The important to continue walking, or navigating, and if we continue navigating, we are alive.

If they do not introduce these concepts in their culture, and learn to recognize pleasure and freedom as a maximum basis of life in the firm, in opposition to the old dedication and rigorous attention, Portuguese firms will not have a position in this permanent mutation world. If national entrepreneurs do not move quickly, they will continue seeing Spanish, Italian, French or Greek firms passing in a high speed in the high way of innovation.

Projects of technological cooperation with other nations are the best ways of finding partners and develop with them solid relations.

The capacity of innovate, is the best change coin that one firm can offer to a technological, financial or commercial partner. When a firm innovates, creates richness and gives pleasure. And there is no friend or partner that ask for more than the friendship of the other.

Innovation is the principle of everything. It is in the genesis of a firm and it is, obligatory, in the basis of their expansion and internationalisation.

But even the Portuguese firms that have the courage to innovate, the hesitate before reach the international markets.

For some the problem is the missing partners, because they were always alone, since innovation until commercialisation. To others is missing, simply the ambition of scream "I am the king of the world".

Portugal has changed, Portuguese have changed, and national firms also have changed, but this change still not enough. Because, in the contrary of a country that

dreams in having an important paper in the world, in the contrary of Portuguese that want to have a life so good as the rest of the citizens from Europe, national firms are happy with what they have.

However national market is not enough to our small firms, entrepreneurs live better than our neighbours, because of the fiscal and social system that protect them. Sometimes they get scared with little earthquake that shake their firms, in this moments they close doors and windows. They can handle these little earthquakes but have the risk of when open again the window not recognize the world out there.

Better than close windows is construct foundations anti-earthquakes and live windows open to see what is happening. A world changing is a world full of opportunities. We should not wait for opportunities. It is necessary make happened the change.

In 1997, the Green Paper on the Information Society in Portugal was approved, and a programme of action was put into place designed to allow information technology as accessible as possible and to encourage participation by all levels of Portuguese society. One of the objectives highlighted was the need for general IT training, and to this end a diploma covering basic IT skills has been introduced as part of the compulsory state education system. The finding for a higher-level of education and specialist research has also been increased.

Referring again the Green Paper's points was the need to include as many people as possible. Three obstacles were preventing families to access the Internet at home: cost, skills and motivation. To address these, Portugal has taken the unusual step of giving individuals a tax incentive to buy a computer. This has been coupled with the introduction of competitive conditions for companies involved in the mass supply of computers for the family market. A programme called 'Everyone on the Net' also provides free email systems and a public Internet space that is partially free of charge. Schools have also been targeted, with all elementary and secondary schools were given access to the Internet and all schools libraries have being equipped with multimedia computers. The plan is for this network to eventually include municipal libraries and scientific institutions to make S&T as accessible to the general population as possible.

In terms of e-commerce we can say that Portugal is ready. Portugal can answer better than we think to global market challenges in the electronic supports field. The prove is that it is on the 25 position between the 60 countries best prepared to electronic commerce, data available in The Economist Intelligence Unit.

United States of America is the most developed country in terms of electronic commerce in the entire world. Immediately after we have three countries from Europe: Sweden, Finland and Norway.

After the analysis of the ranking that we can see in The Economist Intelligence Unit (EIU) Europe has a very good position in the field of e-commerce, if we exclude USA, the first five positions of the list belongs to European countries, after we can add Netherlands and United Kingdom, respectively.

5. Internet in Europe

Internet Access in Central and Eastern Europe changed in the last years drastically. The Internet offers the promise of an information society in which virtually unlimited quantities of information are globally available; in which any individual can publishing as well as reading; in which the patterns of civil society are redrawn and borders are rendered meaningless as people build virtual communities for work, learning and socialising across traditional boundaries of time and place.

In every region, progress is being made as governments, commercial entities, non-profits and grant-making bodies strive to expand Internet connectivity. However, the Internet is far from achieving its potential reach and impact, and there are concerns that the "digital divide" is growing as the pace of change accelerates. Those who support the Internet's power as a medium uniquely suited to building open societies must study what can be done to make Internet access widely available and affordable.

Based on the country reports that follow, certain overarching conclusions can be drawn about Internet access in Europe:

- The Internet is available, used and growing in all countries of the region, but it is not wide spreading.

- A major barrier to Internet usage is the poor state of the underlying telecommunications infrastructure. Most people, particularly residential users and non-governmental organisations (NGOs), currently are dependent on telephone dial-up connections to the Internet, and will remain so in the near future.

- Throughout the region, tele-density rates are low, service quality is often poor, and there are long waiting lists for installation of new telephone lines.

➤ A second major barrier to Internet usage is the practice of per-minute charges for local calls. The expense of connectivity places the Internet out of the reach of many residential users.

➤ Internet users throughout the region have begun to organise and mobilise around access issues, particularly focusing on the pricing barrier posed by per-minute tariffing.

➤ At a regional level Government have an ambivalent attitude towards the Internet. While the overall trend is positive, several governments maintain regulations that hamper the development of the Internet. Government policies regarding privacy and censorship could also chill the use of the medium.

➤ Competition also represents a positive factor, leading ISPs in some countries to lower prices. So far, however, competition in the local loop or "last mile" is limited.

➤ Countries seeking accession to the EU must commit to universal service. Under EU directives, the concept of universal service has been extended to Internet access. This is an important lever over national governments, but so far has not been reflected in concrete definitions of universal service or "affordability." User protests over Internet access charges represent an exercise of market power, but also they are a signal to national, regional and international authorities that more explicit definition is needed for the concept of "affordable" access.

➤ A range of alternative access technologies, including wireless, fixed wireless, satellite and cable modem, hold promise of leapfrogging infrastructure deficiencies.

➤ Given the rapid technological changes that are afoot and the global boom in Internet development, there is an urgent need for the EU and other international and regional bodies to adopt more effective measures to bring affordable access to non-commercial users.

6. The importance of Internet in the Portuguese economy

Electronic commerce opportunities based on mobile phones is present in these days. Europe has an enormous opportunity in electronic commerce as a consequence of the increase in the importance of technological excellency that appeared sometime ago. All the progress in electronic commerce in the last years became little if we compare it to the evolution of m-commerce (electronic commerce based in mobile phones). Credit Lyonnais estimated that in 2005, 25% of all data would be transferred through mobile machines, ten times more than is actually.

Internet is coming inside our life in different speeds. Men were more curious than women therefore adhered first to Internet, the youngest more than old people. Students and investigators “connected” immediately. Financial institutions “navigate” in a cruise speed, but more than half of the firms did not feel the necessity of a modem. One quarter of the Portuguese already can accede to Internet because they have all the conditions to do it, however from these ones, one million of them did not try yet.

In December 2001, the Portuguese with access to Internet were 2,4 millions, but only 1,5 millions utilise it. The biggest part say that they prefer to accede at home, but they also do it in work and school. Electronic e-mail is the most demanded service, but the change of files and online talks in chats are also very popular.

What Portuguese, first, search in the web, is fun. Also declare their professional motivation, their personal formation. Something like a bit more of half an hour that each Portuguese medium cybercaster spend in Internet is to run away from bureaucracy.

Data from European Commission, reported to October of 2000, indicated that internet already enter in 18% of Portuguese homes, the average of European homes connected is 28,4%, with worst performance than Portugal appears Spain and Greece. But Portugal is, progressively, adopting this new technology and, for that, was very important the contribute of the appearance, in the end of 1999, of free access. We verify that from the first to the second trimester of 2000, the number of signers in free access to Internet had duplicated.

According to a study revealed in December by “Observatório das Ciências e das Tecnologias” – Minister of Science, the typical cybercaster is a man, young and student (graduated). For big age groups, we observe that 54% of the population between 15 and 19 years old use Internet, percent that decrease progressively with age. For professional

groups, Internet is more used by who have some intellectual and scientific activity, followed by superior levels, managers, professionals with intermediary level and administrative personal.

According to the same study, Portuguese that have or will have in future as principal motivation the “importance every day bigger in the education of sons”, we “wish of following the technical development of society” and the “professional necessity”.

Nowadays, Internet allows us to do a lot of things; organization of seminars much more easier, elaboration of articles, communication and projects in a more simple way, e-mail with the entire world, this is the opinion of an anthropologic with 40 years. It is an extraordinaire instrument to work that allows look for libraries and bibliography consultancies.

We can also see that there exist old problems that belong to Internet. In the last questionnaire, in the study mentioned before, about utilization of Internet from firms, is referred that from the 220 thousand firms analysed only 55% use Internet. The ones that have website are almost 25%. With actions prepared to inform we know that the main doubts of firms are: for what serve Internet, how can I gain money with it. The firms start to be aware, and gradually they understand how is important being in Internet; even if is only to give a better idea to the client. The missing of formation and poor equipments are factors that contribute to the fact that Internet is not very used in Portugal and, consequently turns it not very attractive to the firms.

In the third position of obstacles we have the age. Only 4% of the population with more than fifty years old use Internet. But there are many advantages to old people in using Internet, if they can exchange e-mails, they will be actualised and fill their time, if old people can travel without going out, if they can know people with whom they can talk in real time through Internet, this is a real advantage against loneliness. This can be a real transformation in habits that will influence the economy of the country.

We can also assist to evolutions in the judicial system, through Internet now is possible the change of processes in corners, this can facilitate all the bureaucratic processes.

In the field of banks things also present changes. Ten years ago who had thought that in home banking, intelligent cards or web pages? Who had thought in making operations in their bank trough a mobile phone? Or in paying a count through a personal computer? Nowadays, is possible doing this and much more.

The truth is that a computer with access to Internet can substitute the visit to the bank in almost everything.

Now we have Internet and home banking as a reality in Portugal since 1997, after a first phase that banks offer a phone line. However, the clients' answer was not the one expected, comparing to other services not related to banks.

But banks will not quit and continue investing in this area as a complement of a vast offer of products. With time electronic banks get more sophisticated and they expect to create a relationship more personalised with clients.

Sooner or later clients will prefer to effectuate all the operations being at home, and the "real" banks will be used only for complicated operations.

But when we talk about transactions, payments, consults from movements and online balances a question must be done: until which point this operations are secure?

To home banking have good results and clients' completely trust in their services, banks made many protocols of security and there is no problem in that kind of operations.

Another field touched by this new technology age are insurances firms in Internet. In Portugal there are some insurances firms that are, already, online. Some of them do not have all the services available in Internet, others as "Real Seguros" have almost everything available.

The cybercaster can make simulations of the insurance wanted, compare it and have an idea about what he will need to pay. He also can make questions and obtain declarations about doubts. If the client wants a more personalised treatment, he can use the direct phone lines, also available in these firms.

Stock market and financial products today represent an important part in Internet. Investors and businesses men saw their life facilitated with the potentialities of Internet. The investor does not need to go out from home to know how is stock market, just need to connect the computer to Internet.

Internet, because of the big quantity of financial information, cybercaster has the possibility to know how is the international stock market.

Also have available news service that allows following every day the changes in this market as well as making financial operations online.

To summarise, as we can see Internet is present in our life. We can have correspondence in Internet, look for information, make friends, make our shops, organize our holidays, listen to music, look for sport, cinema, culture, games, receive

formation, look for job, banks, insurances, stock market, houses, cars, television, radio, earn money and try to make forecasts, as well as many other things.

The influence in the economy of Portugal is significant, habits create new forms and the transformations are clear.

With Internet, even if we are in holidays, we have the possibility of not losing that opportunity, a business that can change a life. The part of the planet or the hour is not important, we can always know how is the world and make investments. For this we just need to make a click.

7. The Future of the Internet

Managers of European firms had adopted the electronic trade with so much strength, that now, most part of them think that Europe has potential to convert them in a centre of an economy in global web.

Nobody should still doubt of the power of electronic trade. It is not so much about electronic businesses, but the incorporation of strategies of electronic commerce in the business, introducing in all the aspects instead of consider it as an independent activity.

In 1998 European firms had to choose between one-way street, typical of “wait and see” approach or the dynamic strategy to invent how to apply electronic commerce and the road of digital approach.

In 1999 it was clear that Europe was on the good way. European Electronic commerce came until the point where e-Europe was a reality, leaderships of some firms adopted electronic commerce as an integral part of their strategy of business and for all Europe the examples of electronic commerce were appearing.

The principal success motor in electronic commerce is the scare of competitors. Firms affirm that their principal objective is maintaining the same rhythm of their competitors or guarantee a strategic position in their sector. Others want to reduce operative's costs, look for ways to reduce the activities. “Wait and see” as already disappeared, now the competitive forces obligate firms to integrate electronic commerce but they are not sure about the results.

The utilisation of electronic commerce in marketing and sales had been increasing, from 53% until 72% in the last year.

Nowadays, we can observe a biggest discipline of management and a biggest utilisation of a plan in firms “dot com”.

Actually, the majority of firms understand that the biggest competitive obstacle in electronic commerce comes from the traditional firms and not from “dot com”. The revenge of the giants does not implicate making businesses as is common. The “dot com” discovered advantages in the traditional management, big firms learnt the agility of “dot com”. Many of them tried new ventures, joint ventures, spinouts or even start-ups.

The new economy is working, according with the new norms. In this new environment, producers, clients and intermediaries have different roles, personalisation can be very important and winners will be the ones that, not only have the best business proposal, but also execute it very well.

To gain a competitive advantage in Europe electronic commerce is difficult and complex. Europe is a mosaic and gives places important challenges because of its culture, legislation and languages. For example, when Job line.org creates their web site to the digital selection in Europe, firm had to front differences in language, different levels of maturity in the markets and many differences in local firms and salaries. The differences in languages can be overcome with time and technology, but with cultural differences this can happen, but it will take a little more time.

We can see the cultural differences in many aspects, 91% of German entrepreneurs said that their objective with the utilisation of electronic commerce is to guarantee a strategic position, only 33% of the French entrepreneurs said the same. Just 9% of Norwich thought that electronic commerce obligates them to re-invent their businesses; Finland and Sweden have the same point of view. Almost 60% of entrepreneurs from Belgium thought that electronic commerce offer a real commercial advantage, 27% from Netherlands think the same and only 12% of the Portuguese agree with this opinion.

Even though that electronic commerce is an impulse strength in globalisation and even though similar firms had success in many markets all over the world, it is necessary consider that the market of electronic commerce is not always global. Half of the “dot com” and 60% of others firms do not consider global their market of electronic commerce and their competitors.

As it happened in Europe, entrepreneur culture changed and firms should plan carefully to obtain advantages without consider national and regional differences.

Usually, one may think that European firms have fewer chances to reach success in the world of electronic commerce than firms from USA, but the experience of European firms in such different markets, give them a real advantage to compete with foreigners countries. The differences in European, national laws, characteristics and other things are similar to the real world. One can observe that a greater homogeneity exists in United States. European look like they want to expand internationally: 38% of firms that actually use electronic commerce to go into new geographical markets, only 22% of the American firms say the same.

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