



## A Snapshot of the Chinese E-Commerce Marketplace

China represents an inviting market with significant opportunity—as evidenced by its fast-growing economy, large population and steady stream of foreign investment. China’s government has demonstrated a commitment to China’s development and a strong desire to become a significant player in world markets, as evidenced by the steadily growing economy and recent admission to the World Trade Organization (WTO).

- China’s GDP continues to grow at a rate of 7.9%—exceeding that of the U.S. Its GDP has grown dramatically over the past 20 years and, with 2002 growth of 7.8%, continues to be comparatively robust in a slowing worldwide economy.
- China now ranks sixth in the global economy, and foreign direct investments continue to expand.
- China’s long-stated goals of integrating into the world economy and affecting country-wide development to support such an economy have been consistently forwarded by the prevailing government. The country’s economic growth, and 2001 admission into the WTO, are evidence of its ability to reach these goals.
- By 2004, China is predicted to account for more than a quarter of the world’s total online population, with e-commerce expected to serve as an important engine of growth across the region.
- With entry into the WTO, China has made the decision to fully utilize its national country code, .CN. Many existing and forthcoming policy amendments that lift the restrictions under which .CN has been operating will facilitate e-commerce.
- Based on Nielsen/NetRatings, China has risen to second in the world in terms of Internet user population in the past three years.
- 56.6 million people, or 5% of the population, is online.
- Men in the age bracket of 18 – 34 are the highest user group.
- The user base is well educated.
- Professionals in wholesale/retail, government/social communities, education/scientific research communities, and manufacturing are the top users.
- 62.1% access the Internet from home, 43.3% from the office.
- Information is the prime reason for access; news is the top search objective.
- Email is the dominant service used.