Chapter III

International E-Commerce: Language, Cultural, Legal, and Infrastructure Issues, Challenges, and Solutions

Magdi N. Kamel, Naval Postgraduate School, USA

Abstract

The phenomenal worldwide growth of the Internet and the World Wide Web has made it an important vehicle for both business-to-business (B2B) and business-to-consumer (B2C) commerce. While the Web offers great opportunities for international electronic commerce by eliminating the barriers of time and space, language, cultural, legal, and infrastructure issues present major impediments to global Internet commerce. In this chapter we address language, cultural, legal, and infrastructure issues as barriers to international electronic commerce. Specifically the chapter presents a framework for identifying and addressing language, cultural, legal and infrastructure issues. The goal is to help organizations meet the challenge of providing online international visitors with a high quality experience, regardless of location, language, business practices, and culture, while complying with legal requirements.
Introduction

The phenomenal worldwide growth of the Internet and the World Wide Web has made it an important vehicle for both business-to-business (B2B) and business-to-consumer (B2C) commerce. Forrester Research predicts that in 2004, online commerce for both B2B and B2C will reach $6.8 trillion (Worldwide eCommerce Growth, 2001). International Data Corporation predicts that while only 26% of Internet commerce was conducted outside the US in 1998, the ratio is expected to be over 50% in 2004 (Glasheen, Gantz & Emberley, 2004). The opportunity is particularly great for certain countries with current low participation rates, like China, who in 2003 had about six million Internet users, but potentially can have over a billion users in the future.

While the Web offers great opportunities for international electronic commerce by eliminating the barriers of time and space, language, cultural, legal, and infrastructure issues present major impediments to global Internet commerce.

In this chapter we address language, cultural, legal, and infrastructure issues as barriers to international electronic commerce. Specifically, the chapter presents a framework for identifying and addressing language, cultural, legal and infrastructure issues. The goal is to help organizations meet the challenge of providing online international visitors with a high quality experience, regardless of location, language, business practices, and culture, while complying with legal requirements.

The chapter is organized as follows. A background section introduces the concepts of localization, internationalization, and globalization, presents the main issues of the chapter, and provides a literature review emphasizing the importance of the issues. The section entitled “Language Issues” addresses important issues of translating Web sites to other languages. These issues include what to translate, writing for translation, language tone and formality, automated translation and maintenance, translation for different dialects, text expansion from translation, translating graphics, serving the correct localized site, directing traffic to a multilingual site, and content management workflow. The section entitled “Cultural Issues” addresses considerations for developing Web sites for different locales and cultures. These issues include cultural subtleties, local standards and conventions, graphic and design elements, color, layout, and cultural attitudes toward e-commerce. Legal issues are tackled in the “Legal Issues” section and include discussion of jurisdiction, recognition of electronic contracts, consumer protection, dispute resolution, and privacy. A discussion of Infrastructure as a barrier of electronic commerce follows and includes issues of limited bandwidth, language representation technical issues, local connection costs, and support infrastructure. Finally the chapter concludes with a summary and discussion of future and emerging trends.

Copyright © 2006, Idea Group Inc. Copying or distributing in print or electronic forms without written permission of Idea Group Inc. is prohibited.