

FACTSHEET

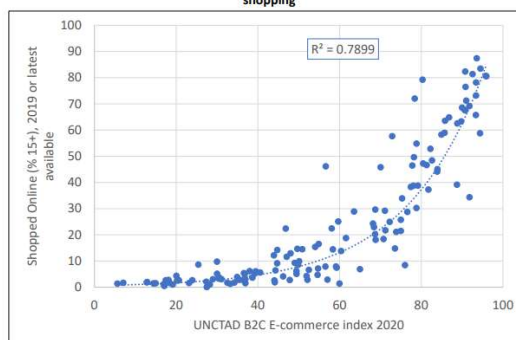
B2C E-Commerce Index

Created by:	UNCTAD	Publication Frequency:	Annual
Meaning:	It is an index created to guide policies on the subject and helps the economy to support online shopping	Last year reported:	2020

Objective:	To build the capacity of countries to produce official statistics on e-commerce and the digital economy, and that can be used to guide policy making. The lack of such data currently constitutes a significant gap in the tool-kit governments need to design and implement ICT policies for development.
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Data collected:	Number of economies under study:	152
	<p>The UNCTAD B2C E-commerce Index measures an economy's preparedness to support online shopping. The index consists of four indicators that are highly related to online shopping and for which there is wide country coverage. The extent to which people shop online in a country is correlated with the value of the index, with an adjusted R squared value of 0.79 (See figure 1).</p> <p>Data limitations affect compilation of the index. Internet user data for 2019 were limited at the time of index calculation and the latest data on accounts are for 2017 as the pandemic delayed the collection of data for the World Bank's Global Findex database. Hence, changes from the previous edition of the index are primarily influenced by changes in terms of secure servers and postal reliability. The 2020 index takes a closer look at the LAC region, which accounts for 9% of the world's population aged 15 and older and as much as 11% of the world's internet users.</p>	

Figure 1. Relationship between UNCTAD B2C E-commerce Index 2020 values and online shopping



Source: UNCTAD.

Methodology:	The index is calculated as the average of four indicators (i.e., each indicator carries the same weight) using data for the latest year available.	
	<ul style="list-style-type: none"> • Account ownership at a financial institution or with a mobile-money-service provider (% of population ages 15+) • Individuals using the Internet (% of population) • Postal Reliability Index • Secure Internet servers (per 1 million people) 	

Indicators measure:	Account ownership data are sourced from the World Bank Findex survey, which is carried out every three years. The latest survey was conducted in 2017.	
	<p>Secure Internet servers per 1 million people is normalized with this formula: $\text{Log}(\text{secure server penetration}) - \text{Log}(\text{maximum value}) / \text{Log}(\text{maximum value}) - \text{Log}(\text{minimum value}) * 100$.</p> <p>UPU postal reliability data are available for 2015-18, depending on the country. If there are no data for a country, the previous year's data are used in the UNCTAD index.</p>	