

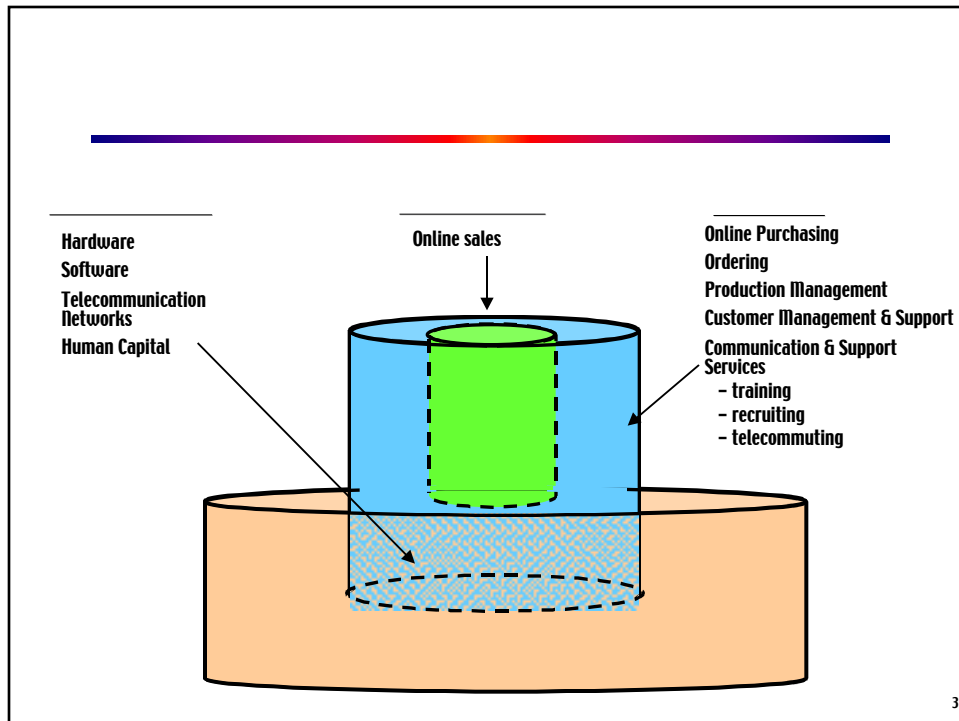


**Federation of Tax Administrators Conference  
Minneapolis, Minnesota  
September 26, 2001**

USCENSUBUREAU  
*Helping You Make Informed Decisions*

- 
- **Measurement Framework**
  - **Measurement Activities Overview**
    - Present, Future & Unfunded
  - **Lessons Learned**
  - **Opportunities to Help**





- **E-business processes of interest because**
    - change the ways organizations operate and conduct business
    - lower transaction costs, improve efficiency
    - change relationships with suppliers and customers
    - change industry structure
    - affect economic measures
- 
- 4

---

- **The value of goods and services sold online**

- Payment does not have to be made online
- Will not measure transactions without a price
- Collect e-commerce data from the seller perspective



5

---

- **Online includes electronically linked devices communicating interactively over open and closed networks.**

- Devices include computers, personal digital assistants, cable TV, internet-enabled cellular phones, and interactive telephone systems.
- Includes Internet, intranets, extranets, and Electronic Data Interchange networks.



6

- 
- Produce first official measures of retail e-commerce – initial release 3/2/2000
  - Provide baseline e-commerce measures for key sectors – 1999 3/7/2001
  - Produce baseline manufacturing business process use information 6/8/2001
  - Research re how e-business processes are changing supply chains
  - See **for data and papers**

7

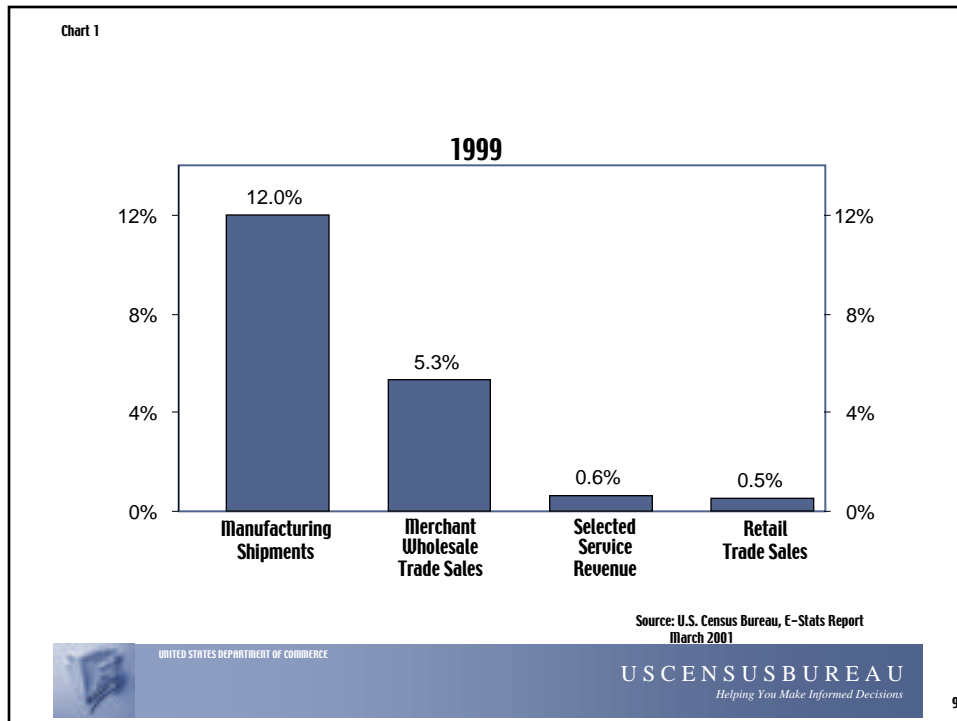
**(Data in millions of dollars. Not adjusted for seasonal, holiday and trading-day differences.)**

Period	Retail Sales		E-commerce as a Percent of Total Sales	Quarter-to-Quarter Percent Change	
	Total	E-commerce		Total Sales	E-Commerce
1 <sup>st</sup> Quarter 2001 <sup>p</sup>	765,227	6,994	0.91	-10.6	-19.3
4 <sup>th</sup> Quarter 2000 <sup>r</sup>	856,234	8,672	1.01	5.4	35.6
3 <sup>rd</sup> Quarter 2000	812,158	6,393	0.79	-0.4	15.7
2 <sup>nd</sup> Quarter 2000	815,677	5,526	0.68	9.1	5.5
1 <sup>st</sup> Quarter 2000	747,934	5,240	0.70	-8.9	0.8
4 <sup>th</sup> Quarter 1999	821,351	5,198	0.63	8.5	(NA)

Monthly survey is now SIC-based. Data will be shown on NAICS basis, effective with the May data release on June 13. First NAICS quarterly retail economic release will be available August 30, 2001.

NA = Not available. r = Revised. p = preliminary

8

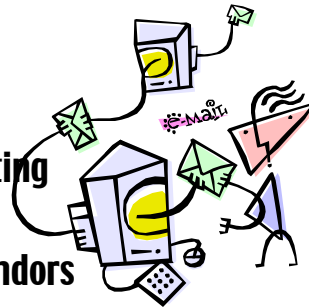


- 
- **Online orders account for 12% of all shipments**
  - **Online purchases account for 11% of total cost of materials**
  - **87% of responding manufacturing plants had computer network in place**
  - **84% of responding plants had Internet access**
- 10

---

- **Plus information on:**

- online payments
- online customer support
- type of network used for accepting orders
- e-mail communication with vendors and customers and with employees



11

---

- **Manufacturing e-business process use**

- analytic studies -- Fall 2001

- **E-Stats 2000 E-commerce Multisector Report**

- Wholesale EDI separately identified
- February/March 2002

- **Internet reporting will be offered to 3.5 million businesses in 2002 Economic Census**

- **E-Gov data for 2002 Census of Governments**

- Infrastructure expenditures
- IT staffing resources
- E-gov processes

12

- 
- **Continue manufacturing e-business process use data for post-1999 or extend to other sectors**
  - **Conduct supply chain survey**
  - **Cover B2B e-markets and other nonmerchant wholesalers annually**
  - **Implement e-business infrastructure measures**

13

- 
- **Definitions and concepts are important**
    - more examples the better
    - technical jargon vs. language clear to non-technicians
    - cognitive interviews useful
    - network and “steal shamelessly”



14

)

- 
- **Measures can be problematic**
    - e-commerce measures for services tougher
    - e-business processes measurement challenges
      - little experience
      - processes vary by sector
      - use measure straightforward
      - process impact/effects complicated
    - infrastructure measures -- just getting started



15

)

- 
- **Statistical unit/survey instruments place significant constraints on what you can collect**
    - accountants not familiar with processes
    - infrastructure measures more likely available for company, not establishment
    - longstanding reporting arrangements can complicate delivery of targeted surveys

16



)

- 
- **E-business Research**
    - contract with experts, not generalists
    - cross-sectoral supply chain research has paid major dividends
    - translating research findings into programs not straightforward
  - **NAICS 2002 does good job of identifying e-businesses, but won't fully describe what they are doing - need product data**

17

)

- 
- **Start modestly, leverage existing resources**
    - can do something with existing instruments
    - expansion will require additional resources
  - **Don't expect lots of feedback on measurement priorities or measures**
    - rapid changes occurring
    - no definitive source of expertise

18

---

- **Improved Infrastructure Measures**

- identify data needs
- establish priorities

- **E-Gov Measures**

- feedback on questions
- priorities

- **Supply Chain Analysis**

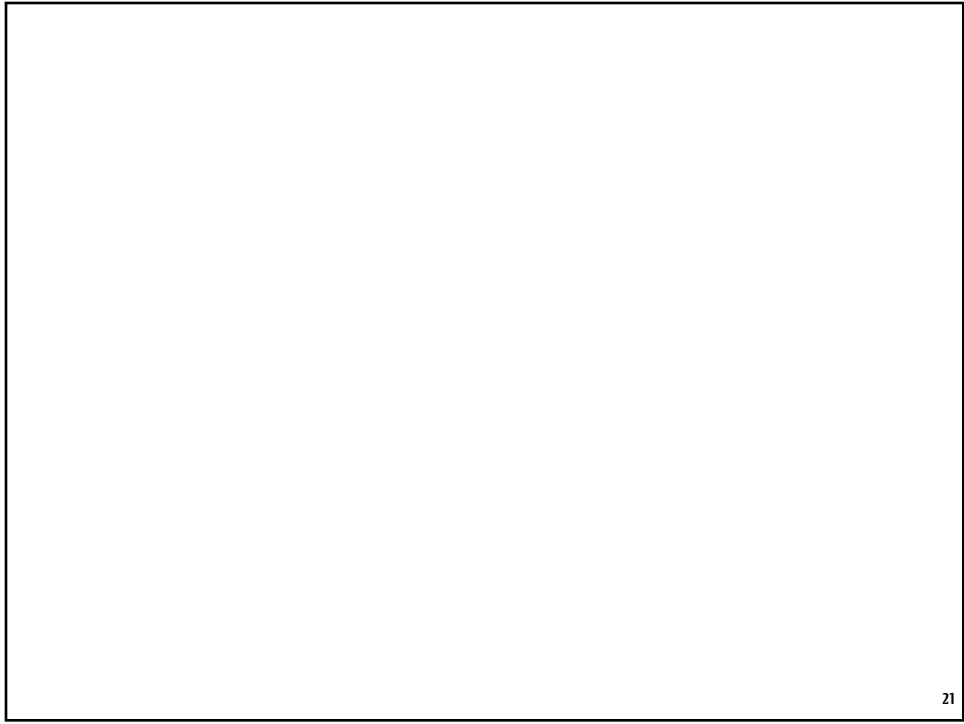
- identify existing studies
- what chains should we target
- methodology suggestions



19



20



21