

The study on the relationship between network economy and e-commerce under the background of information technology

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Abstract—The network economy has changed the diminishing law of marginal returns in economics, improved economies of scale from. This article described the impact on the economy of the network from an economic point, discussed the problem of e-commerce taxation and the solution of solving electronic payment problem of e-business and proposed the concept that network economy will re-establish a new world economic order eventually.

Keywords- network economy; reducing costs; create money; taxation; electronic payment

I. INTRODUCTION OF E-COMMERCE

With the Internet craze sweeping the world, e-commerce (EC) is becoming one of the current buzzwords. E-commerce (EC) is the use of electronic data interchange (EDI), the main technical e-mail, electronic funds transfer (EFT) and the Internet in paperless exchange of business information between individuals, between enterprises and countries. E-commerce refers to the use of digital electronic way to interchange data for business and carry out business activities. As e-commerce is on the Internet and other networks, so the network is a basic framework for e-commerce; e-commerce also emphasized that all partners including the software and hardware of the system, the buyer, seller, companies, enterprises, banks or financial institutions participating in the transaction should be closely linked in Internet, Intranet, Extranet, commonly work on the commercial electronic applications in the network computing environment.

II. CHARACTERISTICS OF NETWORK ECONOMY AND ITS IMPACT ON THE ECONOMY

The contribution of modern network economy to the economy is not only the role of information dissemination. The advantage of network is to serve economic construction, so that the producers can directly face to consumers, "Delete" the middle links of the traditional economic, to reduce product costs, improve product competitiveness; avoid duplication and inefficiencies.

Network economy is that producers and consumers through modern communications network (mainly in the Internet) to organize economic activities. Characterized in

digital, networked process information industry and service-oriented; digitization greatly meets the people's demand for information, the network very easily meet the demand for information, and to achieve the human information society. Experts believe that now the economy has emerged the third industrial revolution after the agricultural revolution and the industrial revolution, namely new technological revolution which takes computer and communication science as representatives. New technological revolution has promoted the improvement and economic growth in labor productivity. Due to the high-tech information industry on behalf of computer and the network is the backbone of the new economy, it can be said that the core of the new economy is the network economy.

For investors, having sufficient information is as important as its demand for means of production and labor. And their combination can create a "complementary benefits." Internet greatly reduces the producers and consumers information costs. Internet age, occurs anywhere and anytime on the planet, as long as people are interested in, he can be retrieved within seconds. Thus, with the shortened time inevitably reduce communication costs of exchanges. network economy is synergistic competitive economy, with fast action feature, which will help seize opportunities, improve the efficiency. Network can help us quickly complete the collection handling, processing, and analysis of information within a very short time. Today's global Village, economic activity has unlimited time, place, and national boundaries are becoming blurred, money, capital, labor and information flow across the globe, global economic integration trends are becoming evident and the world economic order needs to be made appropriate adjustments. networks are changing today's economy, and are increasingly becoming the engine of economic growth.

III. ELECTRONIC NETWORK ECONOMICS

Electronic network economy is an economic model of electronic network architecture that bases on Internet as a carrier, and links the virtual network and economic disciplines to deal with the economic development status by an electronic network model with the idea of economics as an indicator. Electronic network economy is a kind of economic trends, it is forming with the rapid construction of

the future economy. Advances in electronic networks are not only inseparable from the real economy, is its soil of the real economy. Electronic network economy is IT, is the economy software of electronic network technology, the rapid progress of electronic networks promotes technology and scientific and technological progress in all areas --- including fast expanding economic region. From the point of view of economics, the progress of the electronic network economy, will effectively eliminate the differences in the economic behavior of the information phenomenon, played significant role in effective use of economic energy and reduce investment risk, will lead to the flourish situation of our country's economy.

A. *The role of electronic network economy to the business*

In the past production of commercial enterprises, the regulation of commercial enterprises decides the commercial enterprises of product yield, the number of commercial enterprises directly determine the yield of the profits associated with continuing advances, high imitation goods continually flow to technology market economy, and because of the considerable price advantage, market share is gradually expanding. Electronic network competition in the market is no longer the focus of economic times reflected in the size of commercial enterprises and assets, but who can most quickly reflected in to the final consumer demand for goods and services provided. Companies from innovative technology research and science and technology must be used as strategies and means to continue to meet the needs of the end consumer so that the business can make a succeed.

B. *The origin of the network economy*

In the booming of Internet economy at the turn of the century, is inseparable with sharply rising business applications of the Internet since 1993. Now it becomes fashionable and popular network economy or network economics, in terms of its content, is actually the Internet economy (or the Internet Economics). Of course, this is a specific economic or information network information network economics, it is closely related to the information economy or the economics of information, the relationship is the relation between special and general, local and the whole.

Network economy is the inevitable result of the economic network. Network greatly accelerate the process of market economy and globalization, is conducive to developing countries through the gradual opening and moderate supervision to take advantage of the world's proven technological achievements, useful information and knowledge resources in order to promote economic growth.

The network economy can get to know it from different levels. From an economic form of the highest level, the network economy is different from the nomadic economy, agricultural economy, industrial economy, information economy or knowledge economy, due to network is a digital network, so it is a digital economy. In this economic form, the information network, especially intelligent information

network will become an extremely important production tool and is a new productivity.

IV. E-COMMERCE AND LOGISTICS

E-commerce has three streams: information flow, business flow and logistics. Operation of e-commerce is flowing process of these three streams. First suppliers published goods, information services on the web, and the customer searches desired information from Web to buy goods. In this process, suppliers and customers feedback interactively through the Internet, the customer can make requirements of the desired product on specifications, performance, delivery time. When the customer and the supplier agree on the details, customers fill out an electronic order form, after the merchant receives the electronic order, they will send shopping bills immediately to the customer, including commodity price, quantity, payables, tax and freight, after confirmed, consumers input electronic credit card numbers and passwords, and the above information is sent via encrypted electronic banking, e-banking businesses pay an effective inspection after the notice is valid. The above process is to achieve a business of online trading, but e-commerce process is not over yet. Just wait until the physical goods of e-commerce transactions are sent to the customer hands, the whole process is finished. Even at this time, e-commerce has not been finalized, and sometimes businesses engaged in e-commerce have to deal with the problem of return.

V. PROSPECTS AND STRATEGY FOR THE DEVELOPMENT OF E-COMMERCE LOGISTICS

E-commerce is a Business Revolution, which broke the regional and national boundaries, opening up a huge market of online business. It is e-commerce logistics which will have a big development as a guarantee of operation of e-commerce. Development of e-commerce logistics is the need of enterprises to participate in international competition, is to shorten the gap with developed countries.

E-commerce logistics has a broad space for development of our country.

Despite the late start of China's e-commerce, but it has a good development momentum. Countries and companies attach great importance to the development of e-commerce and e-commerce has also made great achievements, but e-commerce logistics is still almost in a blank state. The development of large e-commerce will inevitably bring great development of China's e-commerce logistics. In addition, the e-commerce business is without borders, Internet network can make the two sides reached a deal in any area within the world at the moment, but the speed of physical delivery had to rely on the development of e-commerce logistics.

A. To develop mass digitization customization economy, we must develop e-commerce logistics

With the gradual formation of a buyer's market, as well as the rapid development of electronic information technology and its wide application in the business world, large-scale digitization customization economy is developing rapidly. Large-scale digital economy is to meet customer demand for new forms of industrial organization, it changes the form of the relationship between the organization and management of enterprises, manufacturers and consumers fundamentally, is the mainstream of industrial organization form in the 21st century. In mass customization economy, the focus of competition among enterprises is the speed, the key to the ability to obtain a competitive advantage lies in the possibility of shortening the time to provide products and services to customers, therefore, e-commerce logistics not only provides distribution services for network transactions, but also is the core competitive strategy of the future.

B. Contact of Network Economy and information economy

Economic contains information network economy, the network economy is the economy that lead with industry and service and base on electronic information technology and take international internet as the carrier. The information in the information economy is existed as a kind of resources in the network economy which is to rely on this resource to be realized. Network Economy and information economy have the same objective. As can be seen from the definition of the network economy and information economy, the network economy and the occurrence and development of the information economy is driven and widely used by the continuous development of information technology, but the goal of both is the same, that is to promote knowledge and the development and utilization of information resources, and promote economic development.

E-commerce is a new business in the field of information technology development to bring new economy and growth in the most effective part, it has a huge market potential, and its growth is the most dynamic global information economy in the 21st century.

China should promote e-commerce fully based on national conditions, to accelerate applications and take advantage of e-commerce to transform the traditional economy to upgrade, rejuvenate, realize industrialization and information technology. Our government and departments should based on the spirit of "innovation and management in

order to standardize and promote development", actively promote the development of e-commerce, support new forms of economic transformation and upgrading of traditional industries, in order to accelerate the process of China made contribution.

VI. CONCLUSIONS

Whether it is financial institutions or government departments, they can feel that network economy has saved costs for them, and brings huge benefits. The network itself is open, sharing and cheap, determines the features of fairness of the competition of economic network, information sufficiency and low cost. Companies can operate their business with no information on barriers in the market independently; the new company can enter the market with low costs and equal opportunity, and it also has some latecomers' advantages, so that the new company has sufficient information to be skipped after certain stages with the direct use of modern technology and management mode, standing on the shoulders of giants. Internet economy not only affects the daily life of the people and business behavior, but also affects the way of the market economy and the national macro-control policies, and even affects the redistribution of readjustment and interests of the world economy. I believe the new order of the world economy is bound to re-establish with the development of network economy.

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