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DIGITAL ECONOMY

The global economy is undergoing a digital transformation and it is happening at the breakneck speed. The digital technologies play an increasingly important role in our society. As the ability to connect and interact quickly and efficiently becomes essential, digital skills are increasingly relevant for business and citizens.

The Digital Economy promotes and carries out the purchase and sales of goods and services by means of automated Internet transactions. Its vital components are:

- Utilization of digital technologies especially the emerging ones such as cloud computing, Internet of Things and Cyber Security.
- Codification of processes and usage of blockchains for smart contracting
- Commoditization of knowledge into information packs
- Transforming manufacturing and logistics processes
- Hyper connective mesh of individuals, businesses, structures. As a result of mobile technologies (4G/5G) and other emerging connective technologies.

Advantages of Digital Economy

Today, people work from multiple locations, formal offices, their home, or a even from a local coffee shop. While where we work has changed, we all expect the same level of connectivity as experienced in a physical office. The emergence of this flexible, virtual and globally interconnected enterprise requires an efficient management of a dynamic ecosystem of talent enabled through emerging digital business processes. This has to work effectively even when distributed across various places and time zones.

The benefits of the digital economy are given in the points below:

1. **Expands business possibilities:** Among those industries and companies who were hitherto ignored in the national/global economy, have found a new pathway in business opportunities. Digitization encourages small businesses and enterprises to directly engage in the procurement and distribution of products and services globally.
2. **Creates new job opportunities:** It is a well-known fact that the digital economy has already given employment a lift. The creation of internet based ecosystem to conduct digital business has created millions of jobs worldwide in the last few years alone.
3. **Enhances public services:** Global internet coverage and a strong network of information and communication infrastructure services offer a forum for improving service quality in various public services such as municipal corporations, police, healthcare.
4. **Contributes to economic development:** Massive growth and innovation have been reported due to global spread of digital economy and this has a definite rub-off effect in other sectors of the economy.
5. **Increase in e-commerce:** Over the past few years, rapid increase in e-commerce transactions has been registered. And all the credit goes to the digitization of business

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operations, which has made it much easier, more affordable, and more profitable to produce, purchase, deliver, market and track goods and services.

6. **Digital distribution of goods and services**: The way goods and services are delivered has changed dramatically with digitization. One can conveniently get the products and services one need online, from aviation to banking, entertainment to education and insurance to hotel booking.

7. **Transparency:** Large commercial transactions exist online in the modern economy, replacing cash transactions and eventually increasing transparency and reducing corruption.

8. **Improving public services:** Global internet coverage and a strong network of information and communication infrastructure services offer a forum for improving service quality in various public services such as municipal corporations, police, healthcare.

9. **Contributes to economic development:** Massive growth and innovation has been reported due to global spread of digital economy and this has a definite rub-off effect in other sectors of the economy.

A vast variety of practices are being promoted by the digital economy, production and consumption information and expertise in digital format is at the forefront. Today, technology such as the internet, cloud storage and big data are used to capture, store, interpret and exchange data in digital form.

The digital economy is increasing the pace of change, causing many traditional firms to go out of business. Also, people have lost physical interaction between sellers and buyers which was an important aspect of the buying experience.

Conclusion

With the advent of the digital economy, because of the digitization of content, customers can get easy and fast access to information, goods and services. In addition, through enabling of digital commerce has led to development of more and more B2B, B2C and C2C transactions which are only a click away.

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