

DIGITAL ECONOMY PARADIGM IN MODERN ECONOMY

DIGITALNA EKONOMSKA PARADIGMA U MODERNOJ EKONOMIJI

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Abstract

Since its emergence as a term digital economy back in 1994 in the eponymous book by Don Tapscott, begins to change the process of working through positive changes that penetrate deeply into all aspects of the functioning of companies.

At the first mention of this term before initiate thinking in direction: online business, e-commerce, e-banking ... that represents only one segment of the overall process of the digital economy. The digital economy is an economy that is based on the full use of information systems in all components entering their environment including telecommunications technology that works in all segments of the business operation of companies. The application of modern digital means causing profound changes in the internal and external environment.

Modern trends in the digital economy go so far as to permanently erase the boundaries between convergent and divergent, atoms and molecules and the bits and bytes. All this leads to economical, productive, efficient operation seeks to each company.

The aim of our work is to realize the benefits that the digital economy brings in daily operations, the changes caused in the area of economic relations and positive economic value is created using digital tools versus conventional. This paper will attempt to answer the question: Is there really objectively digital economy or just a reflection of a digital lifestyle?

Modernity defies traditions. Digital economy with all its components go into business relationships causing a new way of working, a new way of behavior and new ways of thinking.

Keywords: digital, economy, conventional, benefits, economic relations, economic values.

Sažetak

Od kada se digitalna ekonomija izdvojila kao termin 1994. u epskoj knizi Dona Tapskota, počeo je da mijenja procese funkcionisanja kroz pozitivne promjene koje su zašle duboko u sve dijelove kompanija koje su poslovale.

Na prvo spominjanjeovog termina prije nego što uključimo razmišljanje u pravcu: online business, e-poslovanje, e-bankarstvo... on predstavlja samo jedan segment cjelokupnog procesa digitalne ekonomije. Digitalna ekonomija je ekonomija zasnovana na potpunoj upotrebi informacionih sistema u svim komponentama koji ulaze u njihovo okruženje uključujući telekomunikacione tehnologije koje rade u svim segmentima poslovanja kompanije. Primjena modernih digitalnih sredstava uzrokuje značajne promjene u unutrašnjem i spoljašnjem okruženju.

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Moderni trendovi u digitalnoj ekonomiji idu toliko daleko da u potpunosti brišu granice između konvergentnog I divergentnog, atoma I molekula, bitova I bajtova. Ovo sve vodi do ekonomskog, produktivnog, efikasnog poslovanja koje traži svaka kompanija.

Cilj našeg rada je da se shvate prednosti koje digitalna ekonomija donosi svakodnevnom poslovanju, promjene nastale u ekonomskim odnosima I pozitivne ekonomske vrijednosti nastale korištenjem digitalnih alata nasuprot konvencionalnim. Ovaj rad će pokušati odgovoriti na pitanje: postoji li stvarna objektivna ekonomija ili samo privid digitalnog životnog stila?

Moderno definiše tradiciju. Digitalna ekonomija sa svim svojim komponentama ide u poslovne odnose uzrokujući novi način poslovanja, novi način ponašanja I novi način razmišljanja. Ključne riječi: digitalno, ekonomija, konvencionalno, prednosti, ekonomski odnosi, ekonomske vrijednosti.

Introduction

The new economy is often called digital or information, its full exposure began in the last 30 years of the last century. The economy is called digital information or because their operation is based on digital technology and its productivity and competitiveness have grown from information based on knowledge. This kind of economy there is another feature that is: global. Globalization is expressed through actions that economic components (capital, labor, objects of labor, labor resources, process management, markets, technologies) are organized globally mostly through a network that encompasses economic factors.

The new economy is emerging in the last thirty years of the last century, because at that time there is a revolution in information technology that is the basis on which is based the modern approach of the digital work. From this aspect, the digital economy exists its bases on: knowledge and information.

The importance of information is reflected in the fact that the development of new technological paradigm, the information sets as a product of the economic process. The digital economy is incorporated in the business through: technology, knowledge management, and all other elements of the business environment by contributing to increased productivity and increased levels of profitability of companies.

1. Purpose and scope of research

The main goal of our research is to determine historical benchmarks digital economy set of very significant place that gets in modern conditions. To ensure the target is required to show the main features of the digital economy, to investigate the structure and the impact on the dynamics of economic systems as a transitional form of traditional information to living and functioning.

2. Defining the Digital Economy

The term digital economy was first mentioned in the Book of Don Tapscott twenty years ago as a revolutionary idea according to which the Internet has changed the work in every segment of company operations. This is not the case because the digital economy in its work using information and communication technologies with a special emphasis on the Internet as a global worldwide computer network. Digital economy converges: the economy, science, communication and digital electronics placing them in an appropriate symbiosis. The basic concept of the digital economy is based on: information, innovation,

creativity; elements that allow optimum development is the foundation for great economic potential.

The digital economy is defined as an economy whose basis comes from digital technologies primarily through the use of information, hardware, software, and telecommunications applications in all areas of activity. In order for it to set realization needed: internal activities of organizations outside activities between the organizations, relationships between organizations and relationships between individuals. The digital economy is a special science that refers to the global network of economic and social activities that are based on digital technology, services and web content.

As key elements in the process of its activities are set elements that are presented in Figure first.

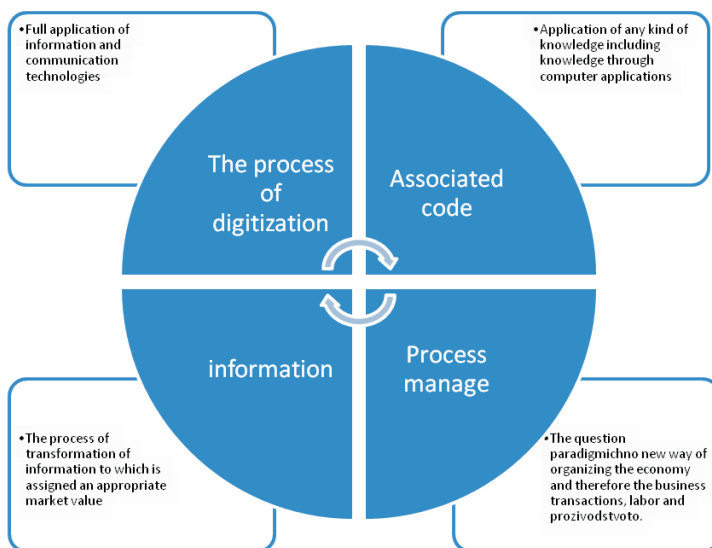


Figure 1: Elements that are part of the digital economy.

As participants in the digital economy is emerging:

- G- (Government) -country, administration
- B (Business) –Economy, companies
- C (Customer) The buyer, consumer.

3. Information Technology and the Digital Economy

Information technology is a key driver of the digital economy. Since its development to date, information technology is retranslate a slow and inapplicable technology widely used in mobile and digitized. In fact, the development of information technology makes the full application of the digital economy which there are direct implications in terms of increased productivity, improved employment, development of new and improvement of existing markets, developing innovative products and services of high quality.

Globally, information technology performs incentive not only in the economic development of a society, but generally, the development of social life while eliminating any limits that may exist between: individual, citizen, employee, organization, country; incor-

porating all activities in a centralized form system in which as the general direction is set knowledge and information.

Traditional forms of observation, the mention of the Digital Economy participate with computers and their process of use. It traditionally observation is simplified because the digital economy encompasses much more.

As remark J.Palmer, I. Richards "New economy favors invisible ideas, information and links," digital economy is more than a simple set of information technology and people. Bill Gates in his book "Working with the speed of thought" about information technology and its impact that it has on the global economic development, writes: "The technology changes the economy, the way of doing things and consumers. It is more than e-commerce, e-mail, e-banking and electronic accessories. It is "is" economic potential ". Digitalization covers not only computers. In today's conditions, we have witnessed the existence of a number of products that perform this function successfully such as smart phones, GPS devices, audio visual devices, digital cameras, household objects, vehicles, televisions and other devices that use the different use. While some of these devices a few years ago I could not identify with the digital economy nor with any form of digitization, today devices means through which operates the digital economy.

4. Economic performance in the digital economy

Productivity is the main factor that needs to exist in the digital economy. Simplified terms, an increase in productivity is increasing the results achieved with the same expenditure of resources or achieving the same results with reduced expenditure of resources. Given the great importance which has productivity trends managers in companies is to make possible greater productivity in their operations. With its increase economic performance.

Studies show that investments in information technology enable a process that increases productivity. This process as a global tendency is visible and ubiquitous: the company's growth, development of industry and economic development of the micro and macro level. Achieving higher productivity enables the development of the company through new products and services and simply higher level of profitability.

Wrong thinking is that the digital economy does not include material elements. On the contrary, the use of the digital economy not only accelerates the flow of material elements through various forms of digital operation but the easing managers leaving more time that can exercise unfettered by daily tasks to build a management strategy at all levels of management.

The digital economy is an economy based on knowledge. This knowledge is not a rigid, hard facts, knowledge of books, but skills, abilities and competencies through which exercise innovation, solve company problems and action is taken in the direction of social progress.

The intelligent organization uses:

- Technology - by extending the capabilities of employees,
- Network Components - by allowing them gathering knowledge
- Employees - you need to be able at any moment to teach and accumulate knowledge and
- Consumers - met with real products, services in real time and real value.

Digital economy its activities based on knowledge. To facilitate this process, it is necessary:

- To create conditions by which new knowledge is the most economical and effective returns in the production process through human labor and
- Positive about knowledge leads to the establishment of a quality economy in the information society.

5. Digital Economy and Internet

Certainly the Internet is one of the basic tools that use digital economy in the process of its existence. Mass using the Internet today takes place in explicit terms. Although the Internet as a global computer network used for any purpose our attention is directed toward the use of the Internet in the digital economy.

World Regions	Population (2015 Est.)	Internet Users Dec. 31, 2000	Internet Users Latest Data	Penetra- tion (% Popu- lation)	Growth 2000-2015	Users % of Table
Africa	1,158,353,014	4,514,400	318,633,889	27.5 %	6,958.2 %	10.3 %
Asia	4,032,654,624	114,304,000	1,405,121,036	34.8 %	1,129.3 %	45.6 %
Europe	827,566,464	105,096,093	582,441,059	70.4 %	454.2 %	18.9 %
Middle East	236,137,235	3,284,800	113,609,510	48.1 %	3,358.6 %	3.7 %
North America	357,172,209	108,096,800	310,322,257	86.9 %	187.1 %	10.1 %
Latin America / Caribbean	615,583,127	18,068,919	322,422,164	52.4 %	1,684.4 %	10.5 %
Oceania / Australia	37,157,120	7,620,480	26,789,942	72.1 %	251.6 %	0.9 %
WORLD TOTAL	7,264,623,793	360,985,492	3,079,339,857	42.4 %	753.0 %	100.0 %

Figure 2³: Number of internet users in the world

From Figure 2 we conclude that the number of internet users in the world dramatically increases every year leading to the conclusion of its huge application in all human activities.

Almost no activities in which the digital economy is deeply penetrated, picture 3rd

3 www.internetworldstats.com, 07.07.2015, 13,25 h

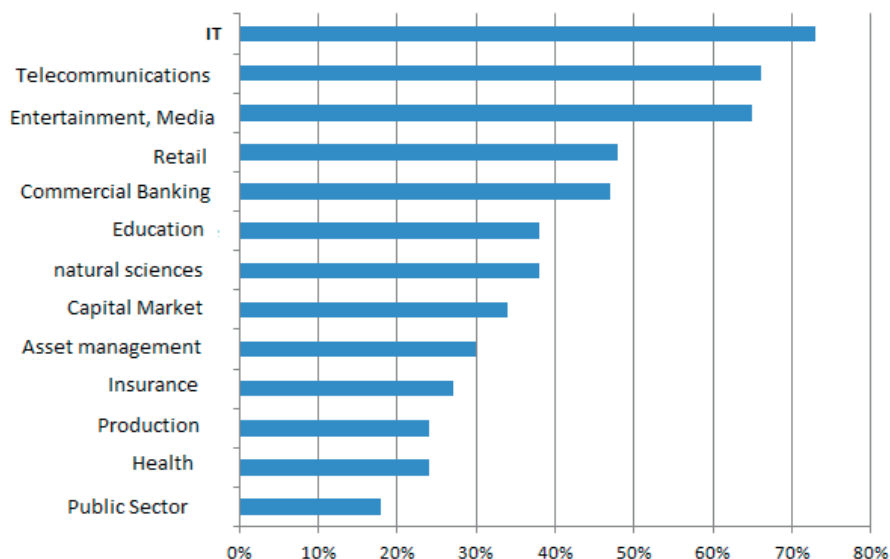


Figure 3⁴: Activities covered by digital technology

Internet as an integral part of the digital economy is changing the process of functioning of the company. Implement new systems of communication that are implemented at all levels and in all directions. Internet is the primary tool that realizes the function of the digital economy.

Internet a key road linking performed in different forms and functions which operate 24 hours a day 7 days a week.

Some of the main benefits of using the Internet as an integral part of digital economy are:

- Increased opportunities in sales - sales process goes smoothly and time barriers
- Reduced expenditure of funds in the sales and marketing activities - orders are completely automating the costs are kept to a minimum. The same applies to the marketing activities that are consistent and cost-effective if conducted over the Internet.
- Global access to markets and market operations,
- Easier down our target markets - simply and quickly walked to the wishes of consumers,
- Increase confidence by consumers,
- Easy approach to consumers if they make adequate Internet access.

Through digital economy covers all segments of the working process. It joins: electronic banking, electronic commerce, orders via mobile phones, digital access regardless of geographic and time dimension. Internet already use user billion. Their number is expected by 2030 will increase to three billion.

4 <http://www.internetworldstats.com>, 07.07.2015, 13,30h

Internet Users in the World Distribution by World Regions - 2014 Q4

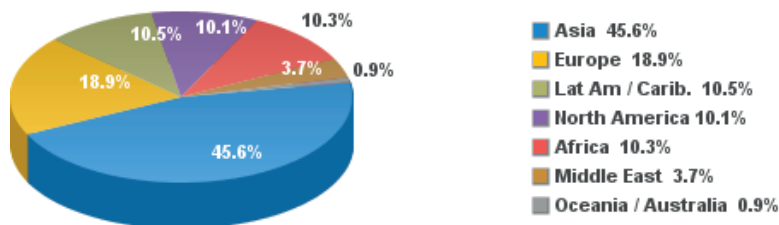


Figure 4⁵: Internet users on Dec 31, 2014

Conclusion

The digital economy raises in the business environment and operation of companies. Processes intensify, diversify, realization the process with great efficiency and effectiveness. All this is possible with proper and targeted use of the digital economy.

Digital economy reduces time cycles in all stages in the process of social reproduction: production, exchange, distribution and consumption. One uses all devices through which you can execute transactions and thereby not physically present at the point of transaction.

Internet is directly related to the digital economy. The largest percentage of realization are implemented using the Internet. From this aspect, indicating the need for its massive use which permanently increases from year to year. That mass into all watered the social and business life.

Let's hope that future digital economy will put the right place to the relief of all participants in the stages of social reproduction.

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⁵ www.internetworldstats.com, 07.07.2015, 13,30 h