

## The Significance of Electronic Commerce to Firms' Operations in Relation to Business Location: an empirical investigation

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### Abstract

Globalization of production and increasing competition spurs greater business use of innovative information systems. As globalization extends its reach over cities and regions, the positions of those places within the emerging global paradigms of regional economies mobilize assets for local advantage would succeed. This research examines the implications of location for electronic commerce (EC) role in firm operations through the lens of managerial perceptions of EC systems. EC activities, agglomeration economies, firm-specific input-based view and industrial development frameworks provide the theoretical underpinning for this research. Fully completed instruments from 106 firms in Singapore and Lagos financial services sector, respectively, are the basis of our analysis. Our findings reveal that firms with well-configured EC systems are more likely to experience efficiency in EC activities and outputs, given conducive operational conditions. However, firm-specific features were not linked to output, a finding inconsistent with the hypothesis that operational efficiency strongly complement the historically relevant location variable in industrial operations. These findings provide basis for recommendations to policymakers, practitioners, and researchers.

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