

**E-Commerce and
International Business
---An IT Incubator for SMEs in
Mississippi**

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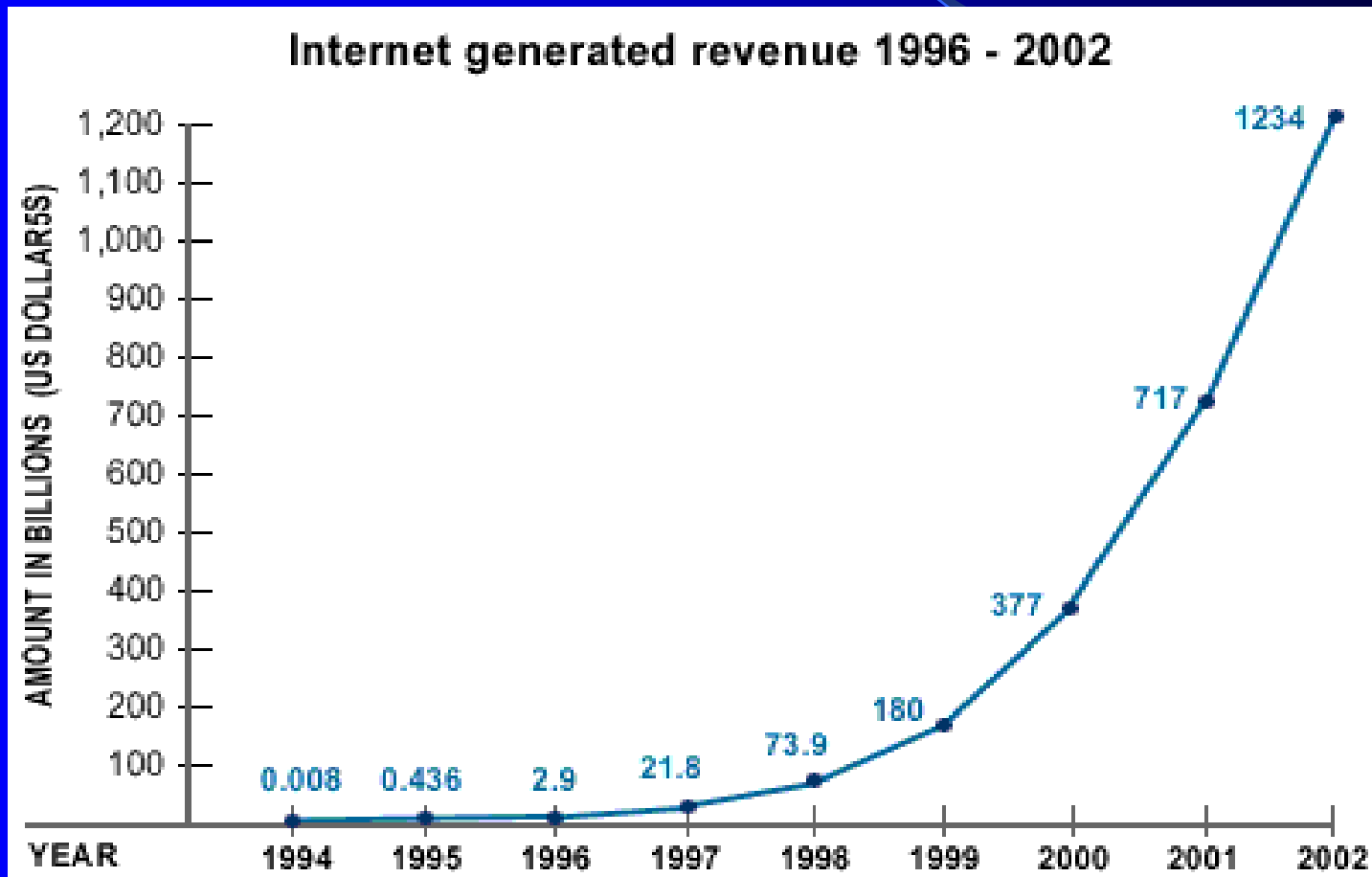
From Local to Global: The Internationalization of Business in Mississippi

- The project is funded by U.S. Department of Education (Title VI-B) and University of Southern Mississippi
- The Project has three components:
 - International Business IT Incubator
 - International Business IT Certificate Program
 - International Business Internships for USM students

Our Target Business: Small and Medium Sized Enterprises (SMEs) in Southern Mississippi

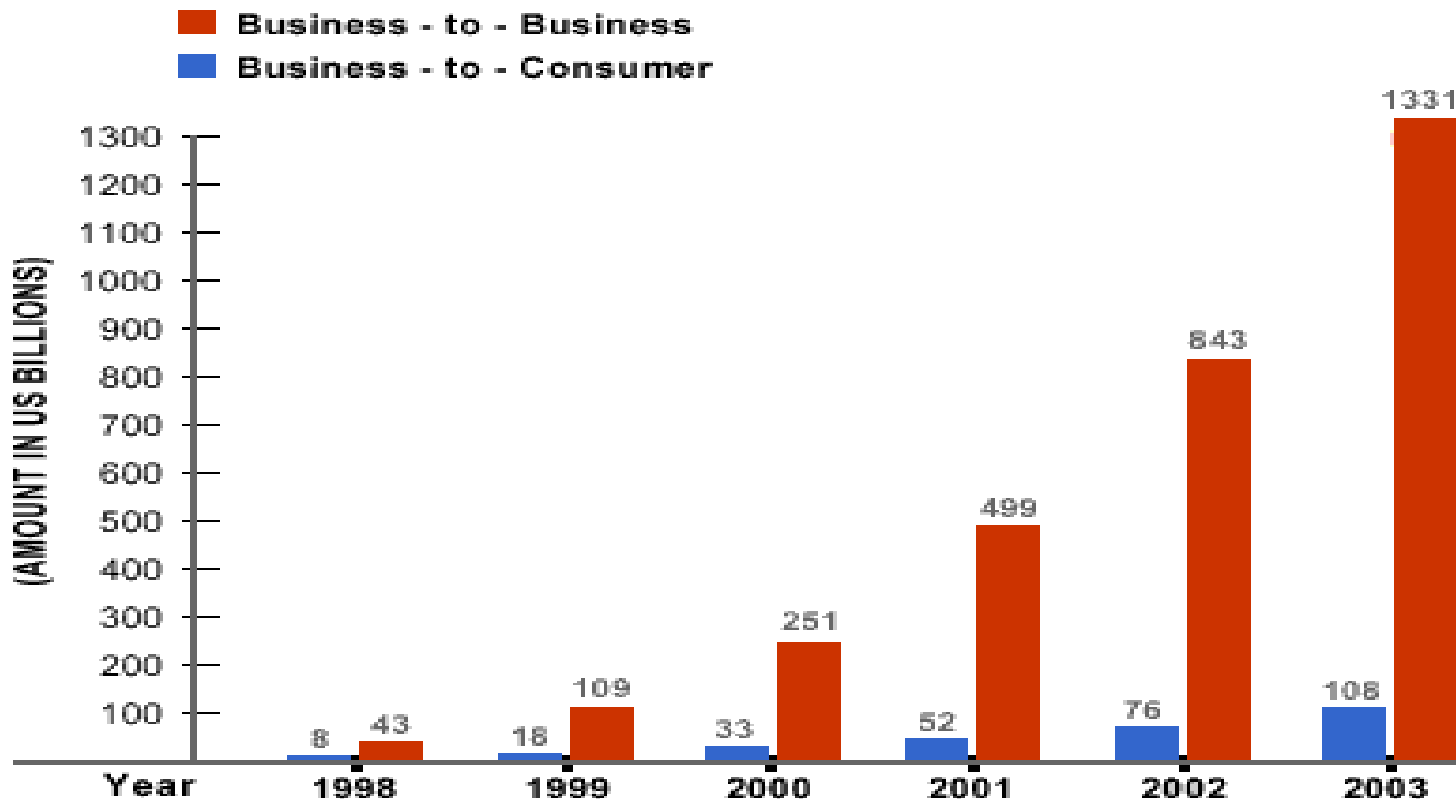
- 97 percent of firms in Mississippi are SMEs (less than 500 employees)
- Only 3 percent of SMEs in MS have more than \$2,500 exports. MS was ranked 46th in the nation
- E-Commerce and the Internet is the most efficient way for SMEs to access the world market and compete with multinationals

The Growth of E-Commerce Around the World



The Growth of E-Commerce in the U.S.

US ECOMMERCE 1998 - 2003



E-Commerce: a Facilitator of Internationalization for SMEs

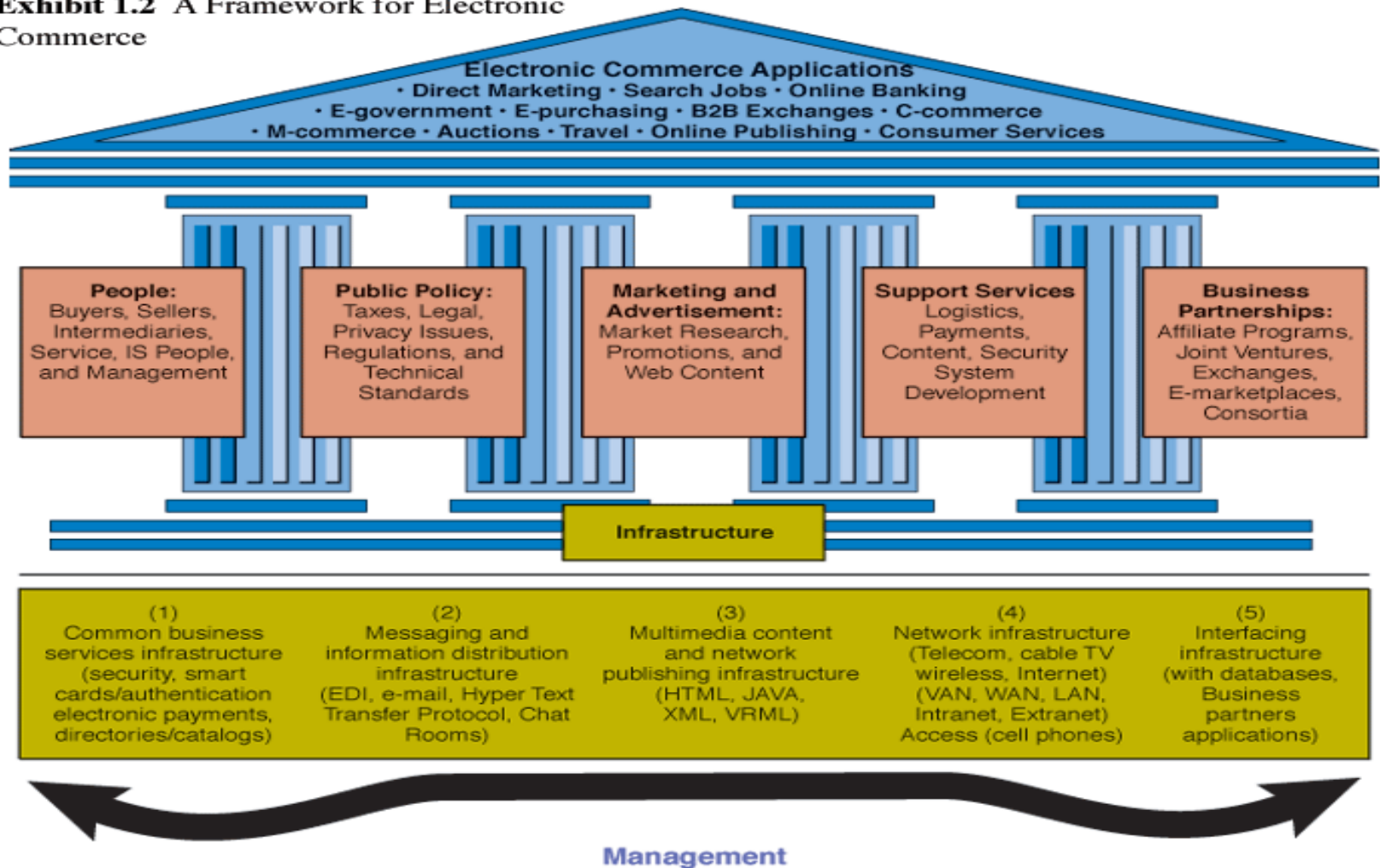
- SMEs normally operate in specific niche markets and they may have a world-wide appeal as well
- Unlike multinationals, SMEs have limited resources and network for exporting
- Industries that require pre-sales advice and after-sales service will have more gains from exploiting E-Commerce, e.g. tourism, arts, banking, transportation, and etc.

The Broader Role of E-Commerce in International Business

- Simplify trading procedure: ordering, taking orders, and invoicing can be fed directly into a company's IT system
- Reduce bureaucracy and language problems (text based communications)
- Web sites are available 24 hours a day, seven days a week: no time zone problem
- Cost efficient for management and market research: e-conferencing, email

Infrastructure and Supporting Areas for E-Commerce

Exhibit 1.2 A Framework for Electronic Commerce



Interdisciplinary Nature of E-Commerce

- Accounting and auditing
- Business law and ethics
- Computer sciences and management information systems
- Economics and Finance
- Marketing
- Others

Our International Business IT Incubator (IBITI) Project

- Housed within the College of Business at USM
- Include faculty who teach International Business, MIS, Entrepreneurship, International Marketing, and Finance
- Phase one of the project:
 - Develop a web site for our IBIT project:
<http://ibit.cba.usm.edu>
 - Beta testing: select two companies and walk them through the model step by step (without charges)

Our International Business IT Certificate Program (IBITC)

- Partner with Mississippi World Trade Center (MSWTC), Mississippi Development Authority (MDA), and Small Business Development Center (SBDC)
- Provide continuous education of international skills and knowledge for the business community in southern Mississippi
- Six two-day workshops on international business and e-commerce
- Scholarships available for companies that need financial assistance

Phase Two of IBITI and IBITC

- IT support for eight companies that are interested in starting international e-commerce
- Continue to offer and refine the curriculum for IBITC workshops
- Under the guidance of faculty, we will send three students to each company to assist them with web design, web maintenance, and international business plan implementation

Southern Miss' Enthusiasm In International Business Education

- Our mission is to assist “organizations in south Mississippi” and our education emphasizes “the global dimensions of business”
- We have the oldest International Business program in the state of Mississippi
- This is our fourth BIE grant and prior grants have been used to help several community colleges to internationalize their international business programs

We are looking forward to
working with you!

Questions?