

# Economics from the Ground Up

## Other ways the internet has facilitated the pace of globalisation

- It has allowed companies to never sleep – operating 24/7 customer service and other production by relocating production around the globe “chasing the sun, which is explained further in Application exercise 12h below.
- The Internet has provided opportunities for blogs and social networking. All of these have allowed companies to gain a market presence all over the globe, and allowed the spread of brand recognition.
- The exponential rise of Web 2.0 since the early years of this century has allowed users to interact with each other over social media sites, such as Facebook and Twitter, creating conversations and interaction, and moving on from the static presentation of information provided by earlier incarnations of the Web. Companies can interact with customers in unprecedented ways, across many markets simultaneously. As students in the classroom, you will no doubt have been exposed to Web 2.0 - which allows students to participate on a global level. It has allowed service providers to go global in terms of design, creativity and innovation.
- The spread of broadband Internet, as increasing amounts of data are now able to be transmitted at faster and faster speeds across enormous distances, and at very low costs. There has been an enormous impact on reducing business costs and changes to the way businesses operate. The creation in Australia of the NBN high speed broadband network, using fibre optics, is designed to allow Australia to increasingly compete on the global market for service provision and keeping costs down. It will help to make Australia more internationally competitive by virtually reducing the distance between us and our neighbours.
- The impact of “Cloud computing” has increased in recent years, to allow firms, governments and individuals to store enormous amounts of data remotely on large banks of computers at a central location. This approach reduces the amount of local infrastructure companies need, and increases the potential for globalisation by allowing one central system to operate across many countries. It entrusts the users’ data, and also sometime software and computations, to these remote servers. It also means that, increasingly, customers are able to access web-based service provision from anywhere, such as *Dropbox*, which is a file hosting service that offers cloud-based storage.