

## **THE IMPACT OF JAPANESE CULTURE ON E-COMMERCE IN JAPAN**

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### **ABSTRACT**

In Japan, over half of the population now use Internet. The widespread use of the cellular phones is the main reason for the rapid growth of Internet users in Japan. Despite of the growing popularity of the Internet and cellular phones in Japan, most Japanese consumers still do not shop online. Hence, online shopping in Japan is still not as popular as in most Western countries including the United States and Canada.

Several studies have demonstrated that Internet buying behavior is largely affected by cultural differences (Lynch and Beck 2001; Lim, Leung, Sia, and Lee 2004). In Japan, many Japanese do not adopt online shopping in spite of the advanced Japanese e-commerce technologies. Based on the cultural framework proposed by Hofstede (1980), the high uncertainty avoidance level in Japanese culture affects Japanese online shopping behavior. This paper examines the impact of cultural dimensions on the development of e-commerce in Japan. Specifically, this study analyzes how cultural factors affect Japanese consumers' perceptions and buying behavior towards online shopping. Japanese companies have adopted several strategies, based on unique Japanese culture, to promote the growth of e-commerce in Japan.