

THE IMPACT OF DIGITAL TRANSFORMATION ON ECONOMIC GROWTH: GLOBAL EVIDENCE

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Appendix 1. Overview of related studies

Author	Time and scale	Method	Result
Hodrab et al. (2016)	Time: From 1995 to 2013 Scale: 18 Arab countries	Using panel regression for research	The results show that ICT has a positive impact on the economic growth of selected Arab countries.
Bon (2021)	Time: from 2006 to 2019 Scale: from 35 developing countries	Using the Arellano-Bond GMM and FE-IV estimation methods	Digitalization and governance both drive economic growth.
Georgescu et al. (2021)	Time: 2018 - 2019. Size: 27 European member states	Based on Principal Correlation Analysis (CCA)	Conclusion: Digitalization has a significant impact on economic growth.
Hosan et al. (2021)	Time: from 1995–2018. Scale: 30 emerging countries	Using advanced econometric methods to analyze data	Digitalization drives sustainable economic growth across all segments.
Cusolito et al. (2020)	Time: from 2002 to 2019 Scale: in 82 developing economies	Using the control function approach and assuming a productive process	The adoption of digital technology positively impacts total factor productivity (TFP) and labor and capital requirements of manufacturing firms in developing countries.
Tan et al. (2021)	Scale: includes 155 countries	Using Bayesian linear regression	Shows a positive relationship between digital transformation and the economic development of 155 countries

Appendix 2. Measure of variables

Variable Symbol	Definition	Source
GROWTH	GDP (current US\$)	World Bank
DIGITALIZATION1 (DIGI1)	Fixed broadband subscriptions (per 100 people)	
DIGITALIZATION2 (DIGI2)	Secure Internet servers (per 1 million people)	
DIGITALIZATION3 (DIGI3)	Mobile cellular subscriptions (per 100 people)	
INVESTMENT1	Foreign direct investment, net inflows (% of GDP)	
INVESTMENT2	Gross fixed capital formation, private sector (% of GDP)	
LABOR1	Labor force, total	
LABOR 2	Labor productivity, total	

Appendix 3.1. List of developed countries in the research sample

Country list	Country list	Country list	Country list
Belgium	Ireland	Switzerland	Israel
Canada	Italy	United Kingdom	Estonia
Chile	Luxembourg	United States	Latvia
Denmark	Netherlands	Czechia	Lithuania
Finland	New Zealand	Hungary	Iceland
France	Norway	Korea, Rep.	Sweden
Germany	Portugal	Poland	Slovenia
Greece	Spain	Slovak Republic	

Appendix 3.2. List of countries in the upper middle development group in the research sample

Country list	Country list	Country list	Country list
Algeria	Bosnia and Herzegovina	Georgia	Paraguay
Albania	Botswana	Indonesia	Peru
Argentina	Brazil	Kazakhstan	Serbia
Armenia	Colombia	Malaysia	South Africa
Azerbaijan	Dominican Republic	Mongolia	Thailand
Belarus	Ecuador	Namibia	Turkiye

Appendix 3.3. List of countries in the lower middle development group in the research sample

Country list	Country list	Country list	Country list
Bangladesh	Jordan	Philippines	Tunisia
Bhutan	Kenya	Viet Nam	Uzbekistan
Egypt, Arab Rep.	Kyrgyz Republic	Zambia	Uganda
Ghana	Morocco	Madagascar	Rwanda
Honduras	Nepal	Mozambique	
India	Nicaragua	Sri Lanka	

Appendix 4. Descriptive statistics of aggregate variables of country groups

Variable	Max	Min	Mean	Std. Dev.	Obs
GROWTH	30.879230	20.572900	25.561040	1.831260	1422
DIGI1	7.244942	0.000000	6.170480	1.205177	1422
DIGI2	6.768493	0.000000	3.532273	2.917873	1422
DIGI3	7.256297	0.000000	6.237497	1.054339	1422
INVESTMENT1	7.259116	-4.836830	6.261021	0.989666	1422
INVESTMENT2	5.855072	0.000000	1.194280	2.149000	1422
LABOR1	20.13294	12.07609	15.735890	1.457876	1422
LABOR2	12.47750	6.475030	9.825145	1.340284	1422