




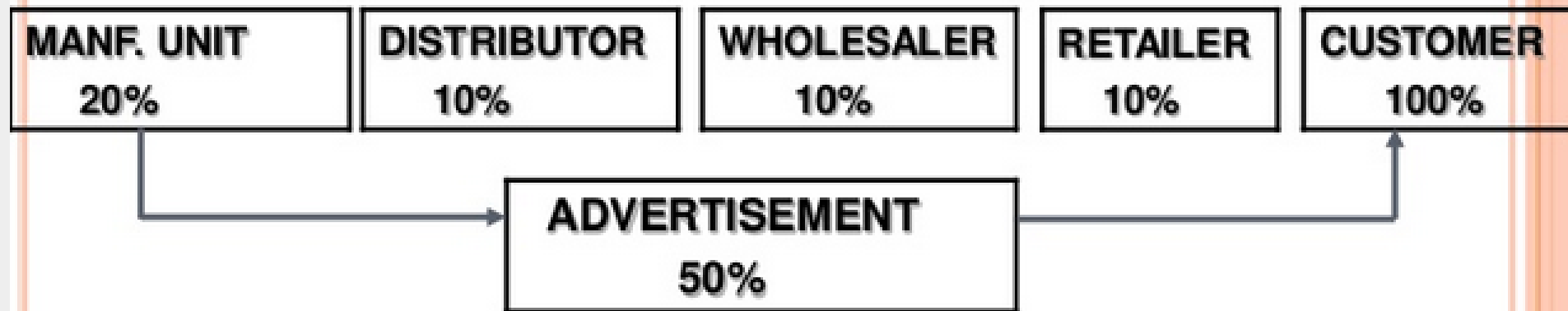
e-commerce



Definition of E-Commerce

- *E-Commerce or Electronic commerce is a process of buying, selling, transferring, or exchanging products, services, and/or information via electronic networks and computers*

TRADITIONAL BUSINESS



DIRECT SELLING



Why Use E-Commerce?

- LOW ENTRY COST
- REDUCES TRANSACTION COSTS
- ACCESS TO THE GLOBAL MARKET
- SECURE MARKET SHARE



Brief History Of E-Commerce

- 1970s: Electronic Funds Transfer (EFT)
 - Used by the banking industry to exchange account information over secured networks
- Late 1970s and early 1980s: Electronic Data Interchange (EDI) for e-commerce within companies
 - Used by businesses to transmit data from one business to another
- 1990s: the World Wide Web on the Internet provides easy-to-use technology for information publishing and dissemination
 - Cheaper to do business (economies of scale)
 - Enable diverse business activities (economies of scope)



The Process of E-Commerce

- A consumer uses Web browser to connect to the home page of a merchant's Web site on the Internet.
- The consumer browses the catalog of products featured on the site and selects items to purchase. The selected items are placed in the electronic equivalent of a shopping cart.
- When the consumer is ready to complete the purchase of selected items, she provides a bill-to and ship-to address for purchase and delivery
- When the merchant's Web server receives this information, it computes the total cost of the order--including tax, shipping, and handling charges--and then displays the total to the customer.



- The customer can now provide payment information, such as a credit card number, and then submit the order.
- When the credit card number is validated and the order is completed at the Commerce Server site, the merchant's site displays a receipt confirming the customer's purchase.
- The Commerce Server site then forwards the order to a Processing Network for payment processing and fulfillment.



Different types of e-commerce

- Business-to-business (B2B)
- Business-to-Consumer (B2C)
- Business-to-government (B2G)
- Consumer-to-consumer (C2C)
- Government to consumer (G2C)
- Government-to-business (G2B)



BUSINESS-TO-BUSINESS (B2B)

- B2B stands for Business to Business. It consists of largest form of Ecommerce. This model defines that Buyer and seller are two different entities. It is similar to manufacturer issuing goods to the retailer or wholesaler.

E.g.: - Dell deals computers and other associated accessories online but it does not make up all those products. So, in order to deal those products, first step is to purchase them from unlike businesses i.e. the producers of those products.



BUSINESS-TO-CONSUMER (B2C):

- It is the model taking businesses and consumers interaction. The basic concept of this model is to sell the product online to the consumers.
- B2c is the direct trade between the company and consumers. It provides direct selling through online. For example: if you want to sell goods and services to customer so that anybody can purchase any products directly from supplier's website.



What is B2G ecommerce?

- Business-to-government e-commerce or B2G is generally defined as commerce between companies and the public sector. It refers to the use of the Internet for public procurement, licensing procedures, and other government-related operations
- **Example:**
 - Business pay taxes, file reports, or sell goods and services to Govt. agencies.

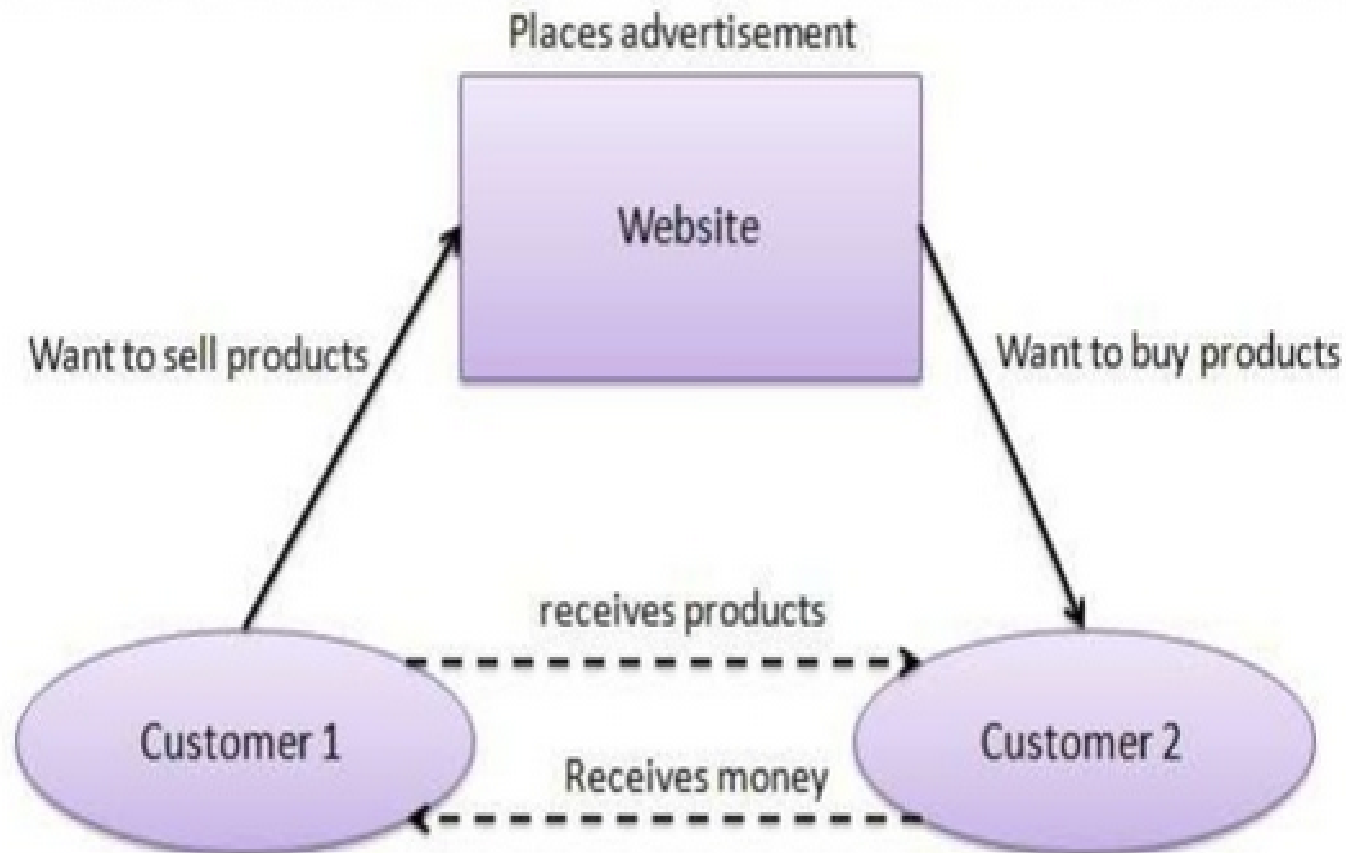


CONSUMER-TO-CONSUMER (C2C)

- There are many sites offering free classifieds, auctions, and forums where individuals can buy and sell thanks to online payment systems like PayPal where people can send and receive money online with ease. eBay's auction service is a great example of where person-to-person transactions take place everyday since 1995.



C2C E-commerce



G2C E-commerce

- This Model is also a part of **e-governance**.
- The objective of this model is to provide **good and effective services** to each citizen.
- The Government provides the following facilities to the citizens through website.
- Information of all government departments,
- Different welfare schemes,
- Different application forms to be used by the citizens.



G2B E-commerce

- Government-to-business (G2B) is a business model that refers to government providing services or information to business organisation.

Government uses B2G model website to approach business organizations. Such websites support auctions, tenders and application submission functionalities.



ADVANTAGES OF E-COMMERCE

- Faster buying/selling procedure, as well as easy to find products.
- Buying/selling 24/7.
- More reach to customers, there is no theoretical geographic limitations.
- Low operational costs and better quality of services.
- No need of physical company set-ups.
- Easy to start and manage a business.
- Customers can easily select products from different providers without moving around physically.

DISADVANTAGES OF E-COMMERCE

- Unable to examine products personally
- Not everyone is connected to the Internet
- There is the possibility of credit card number theft
- Mechanical failures can cause unpredictable effects on the total processes.



PROS AND CONS OF E-COMMERCE

PROS

- No checkout queues
- Reduce prices
- You can shop anywhere in the world
- Easy access 24 hours a day
- Wide selection to cater for all consumers

CONS

- Unable to examine products personally
- Not everyone is connected to the Internet
- There is the possibility of credit card number theft
- On average only 1/9th of stock is available on the net



THANK YOU

6TH SEMESTER BBA

EKTA B

KOMAL R JAIN

MAMTHA A

MANISHA VAISHNAV

MANISHA N

