Infrastructure for electronic Commerce

Internet

"The Federal Networking Council (FNC) agrees that the following language reflects our definition of the term 'Internet.'

'Internet' refers to the global information system that—

- (i) is logically linked together by a globally unique address space based on the Internet Protocol (IP) or its subsequent extensions/follow-ons;
- (ii) is able to support communications using the Transmission Control Protocol/Internet Protocol (TCP/IP) suite or its subsequent extensions/ follow-ons, and/or other IP-compatible protocols; and
- (iii) provides, uses or makes accessible, either publicly or privately, high level services layered on the communications and related infrastructure described herein."

Basis of Internet

Packet switching

• TCP/IP communications protocol

Client/server computing

Packet Switching

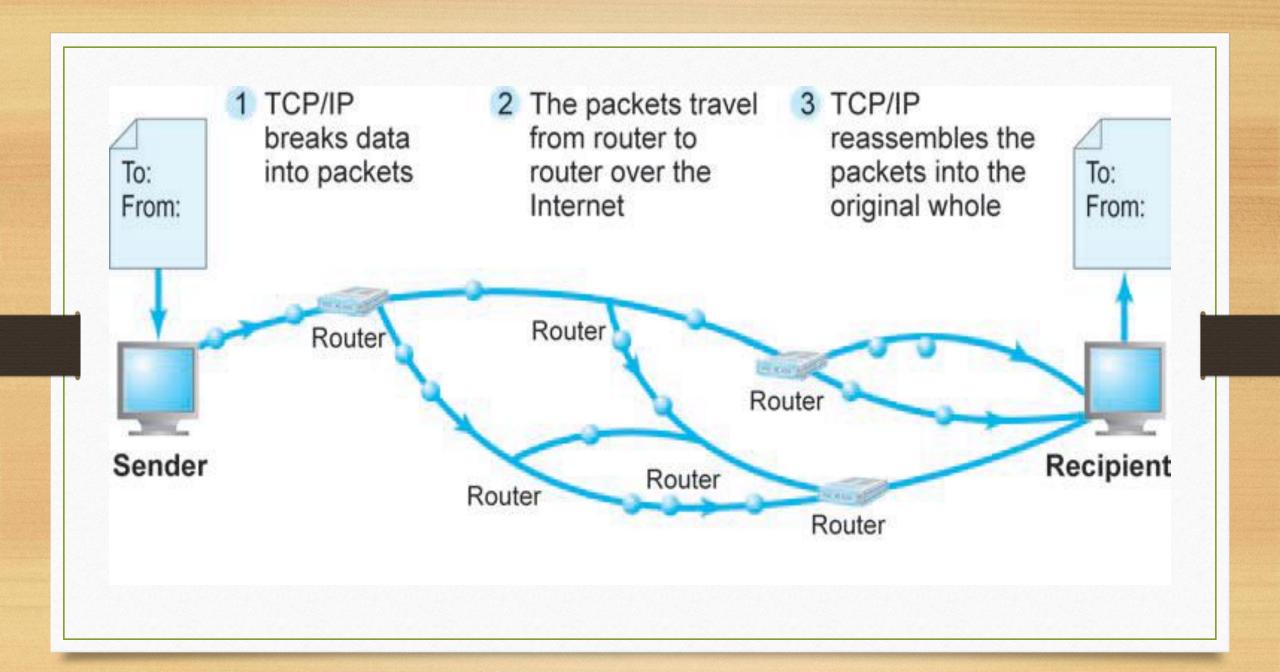
- Packet switching is a method of slicing digital messages into discrete units called packets,
- sending the packets along different communication paths as they become available,
- and then reassembling the packets once they arrive at their destination
- **Packets** is the discrete units into which digital messages are sliced for transmission over the Internet
- The concept of packet switching is born in 1961 where "packet switching" networks was first published at Leonard Kleinrock (MIT)

Concept of Packet Switching

- With packet switching, the communications capacity of a network can be increased by a factor of 100 or more.
- In packet-switched networks, messages are first broken down into packets.
- each packet are **digital codes** that indicate a source address and a destination address, as well as sequencing information and error control information for the packet.
- the packets travel from computer to computer until they reach their destination which are called routers

Router

- A **Router** is a special purpose computer that interconnects the different computer networks that make up the Internet and routes packets along to their ultimate destination as they travel the internet.
- Routers use a computer program called a routing algorithm.
 - computer program that ensures that packets take the best available path toward their destination



Transmission Control Protocol (TCP)

- **Protocol** is a set of rules and standards for data transfer.
- TCP has become the core communications protocol for the Internet.
- It is a suite of communication protocols used to interconnect network devices on the internet.
- **TCP** establishes the connections among sending and receiving Web computers, and handles the assembly of packets at the point of transmission, and their reassembly at the destination end.

Internet Protocol (IP)

- **IP** provides the Internet's addressing scheme and is responsible for the actual delivery of the packets.
- **IP** defines how to address and route each packet to make sure it reaches the right destination.
- Each **gateway** computer on the network checks this IP address to determine where to forward the message.

TCP/IP

- The Defense Advanced Research Projects Agency (<u>DARPA</u>), the research branch of the U.S. Department of Defense, created the TCP/IP model in the 1970s for use in ARPANET, a wide area network that preceded the internet.
- TCP/IP uses the **client/server** model of communication in which a client is provided a service by another computer a server in the network.

Layers of TCP/IP

- Network Interface Layer
- Internet Layer
- Transport Layer
- Application Layer

Layers of TCP/IP

Network Interface Layer

• It is responsible for placing packets on and receiving them from the network medium, which could be a LAN or Token Ring, or other network technology.

• Internet Layer

• It is responsible for addressing, packaging, and routing messages on the Internet.

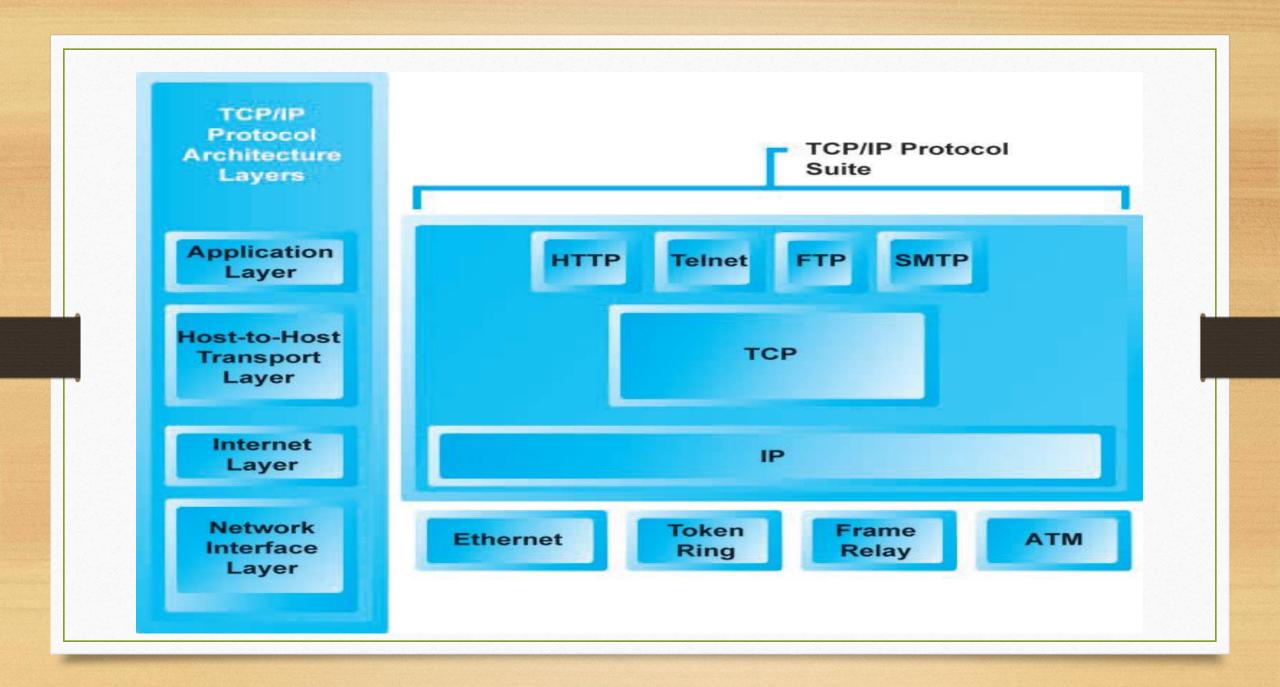
Layers of TCP/IP

Transport Layer

• It is responsible for providing communication with the application by acknowledging and sequencing the packets to and from the application.

Application Layer

• It provides a wide variety of applications with the ability to access the services of the lower layers.



IP Addresses

- "How can billions of computers attached to the Internet communicate with one another?"
- There are two versions of IP currently in use: IPv4 and IPv6.
- It is a numerical label assigned to each device connected to a computer network that uses the Internet Protocol for communication.
- An IP address serves two principal functions: host or network interface identification and location addressing.

IPv4 & IPv6

• IPv4

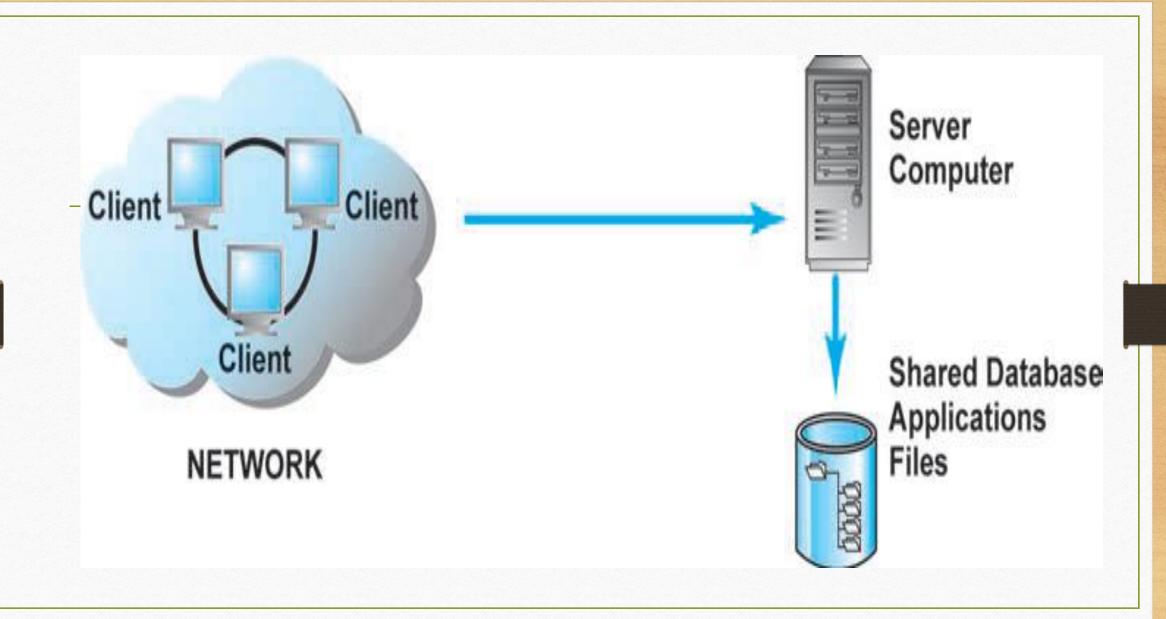
• An **IPv4 Internet address** is a 32-bit number that appears as a series of four separate numbers marked off by periods, such as 64.49.254.91.

• **IPv6**

• An **IPv6 Internet address** is 128 bits, so it can support up to 3.403×10³⁸ addresses such as 2001:db8:0:1234:0:567:8:1.

Client/server computing

- **Client/server computing** is a model of computing in which powerful personal computers and other Internet devices called **clients** are connected in a network to one or more **server** computers.
- Client is a powerful personal computer that is part of a network
- **Server** networked computer dedicated to common functions that the client computers on the network need

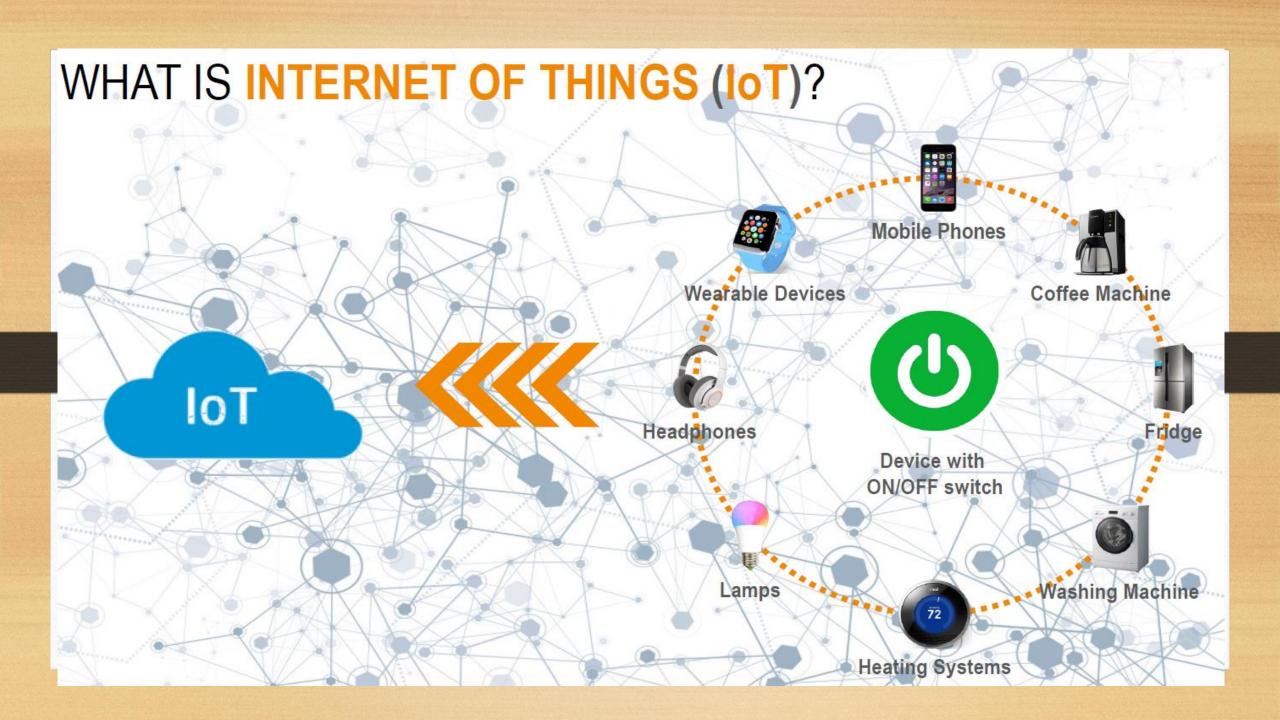


Cloud Computing

- **Cloud computing** refers to a model of computing in which firms and individuals obtain computing power and software applications over the Internet.
- Amazon, the Internet's largest retailer, is also one of the largest providers of cloud infrastructure and software services.
- Cloud computing has many significant implications for e-commerce
- Cloud computing radically reduces the cost of building and operating Websites.
- Firms can adopt "pay-as-you-go" and "pay-as-you-grow" strategies.

The Internet of Things (IOT)

- Use of the Internet to connect a wide variety of devices, machines, and sensors.
- The term is closely identified with RFID as the method of communication, although it also may include other sensor technologies, wireless technologies or QR codes.
- With the IOT, the physical world is becoming one big information system.
- "Anything that can be connected, will be connected."











Coffee Machine

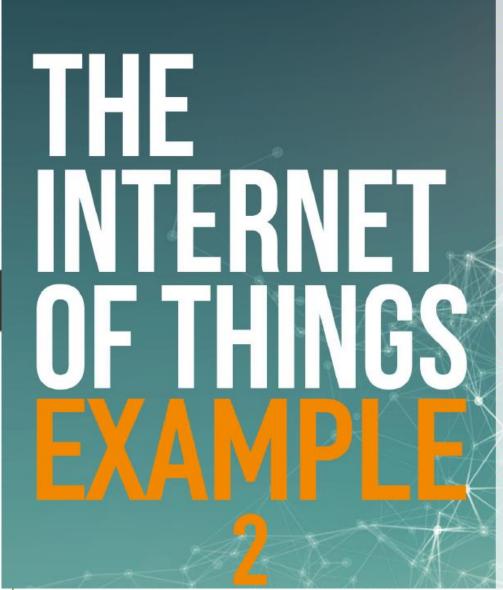


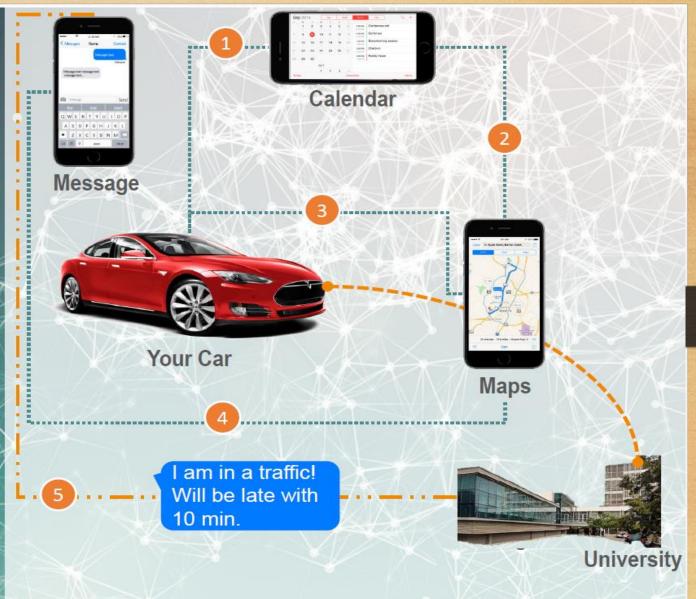
Fridge



Reminder

Remind me to buy milk!





The Web

- Without the Web, there would be no e-commerce.
- Web brought an extraordinary expansion of digital services to millions of amateur computer users.
- Web makes nearly all the rich elements of human expression needed to establish a commercial marketplace available to nontechnical computer users worldwide.

Components of the Web

- HTML
- HTTP
- Web server
- Browser

Hypertext

- **Hypertext** is a way of formatting pages with embedded links that connect documents to one another and that also link pages to other objects such as sound, video, or animation files.
- Hypertext refers to a word, phrase or chunk of text that can be linked to another document or text

Markup Languages

- A markup language is a language that annotates text so that the computer can manipulate that text.
- Markup languages are designed for the processing, definition and presentation of text.
- The language specifies code for formatting, both the layout and style, within a text file.

HTML

- HyperText Markup Language (HTML) is a GML that is relatively easy to use in web page design.
- HTML provides Web page designers with a fixed set of markup "tags" that are used to format a Web page.
- When these tags are inserted into a Web page, they are read by the browser and interpreted into a page display.
- The most recent version of HTML is HTML5.

XML

- eXtensible Markup Language (XML) is a markup language specification developed by the W3C that is similar to HTML, but has a very different purpose.
- XML was designed to be both human- and machine-readable.
- XML plays an important role in many different IT systems.
- XML is often used for distributing data over the Internet.

Web server software

- Web server software refers to the software that enables a computer to deliver Web pages written in HTML to client computers on a network that request this service by sending an HTTP request.
- The two leading brands of Web server software are
 - Apache, which is free Web server shareware \rightarrow 52% of the market
 - Microsoft's Internet Information Services (IIS) \rightarrow 20% of the market

Special Server

- Database servers
 - access specific information within a database
- ad servers
 - deliver targeted banner ads
- Mail servers
 - provide e-mail messages
- Video servers
 - provide video clips.
- At a small e-commerce site, all of these software packages might be running on a single computer, with a single processor.

Web client

- Web Client is any computing device attached to the Internet that is capable of making HTTP requests and displaying HTML pages.
- The most common client is a Windows or Macintosh computer, with various flavors of Unix/Linux computers.
- However, the fastest growing category of Web clients are not computers at all, but smartphones, tablets, and netbooks outfitted with wireless Web access software.

Web Browsers

- A Web browser is a software program whose primary purpose is to display Web pages.
- Browsers also have added features, such as e-mail and newsgroups (an online discussion group or forum).
- The leading Web browsers are
 - Microsoft Internet Explorer (>55%)
 - Mozilla Firefox (>25%)
 - Google's Chrome (>20%)
 - Apple's Safari browser (>5%)

Internet & Connection

- Email
- Instant Messaging
- Chat & Online forum

Email

- e-mail, the most-used application of the Internet.
- Uses a series of protocols to enable messages containing text, images, sound, and video clips to be transferred from one Internet user to another.
- e-mail also allows **attachments**, which are files inserted within the e-mail message.
- About 76% of these e-mail accounts are consumer accounts and about 24% are corporate e-mail accounts

Instant Messaging

- Instant messaging (IM) allows you to send messages in real time, one line at a time, unlike e-mail.
- IM displays words typed on a computer almost instantaneously.
- Recipients can then respond immediately to the sender the same way, making the communication more like a live conversation than is possible through e-mail.
- Instant messaging over the Internet competes with wireless phone Short Message Service (SMS) texting, which is far more expensive than IM.
- The major IM systems are Microsoft's Windows Live Messenger, Skype, Yahoo Messenger, Google Talk, and AIM (AOL Instant Messenger).

Online Forums

- An **online forum** is a Web application that enables Internet users to communicate with each other, although not in real time.
- A forum provides a container for various discussions (or "threads") started (or "posted") by members of the forum, and depending on the permissions granted to forum members by the forum's administrator, enables a person to start a thread and reply to other people's threads.

Online Chat

- Online chat differs from an online forum in that, like IM, chat enables users to communicate via computer in real time, that is, simultaneously.
- However, unlike IM, which works only between two people, chat can occur among several users.
- E-commerce firms typically use online forums and online chat to help develop community and as customer service tools.

Search Engines

- **Search engines** identify Web pages that appear to match keywords, also called queries, entered by a user and then provide a list of the best matches (search results).
- Web search engines started out in the early 1990s shortly after Netscape released the first commercial Web browser.

