



CSC-370

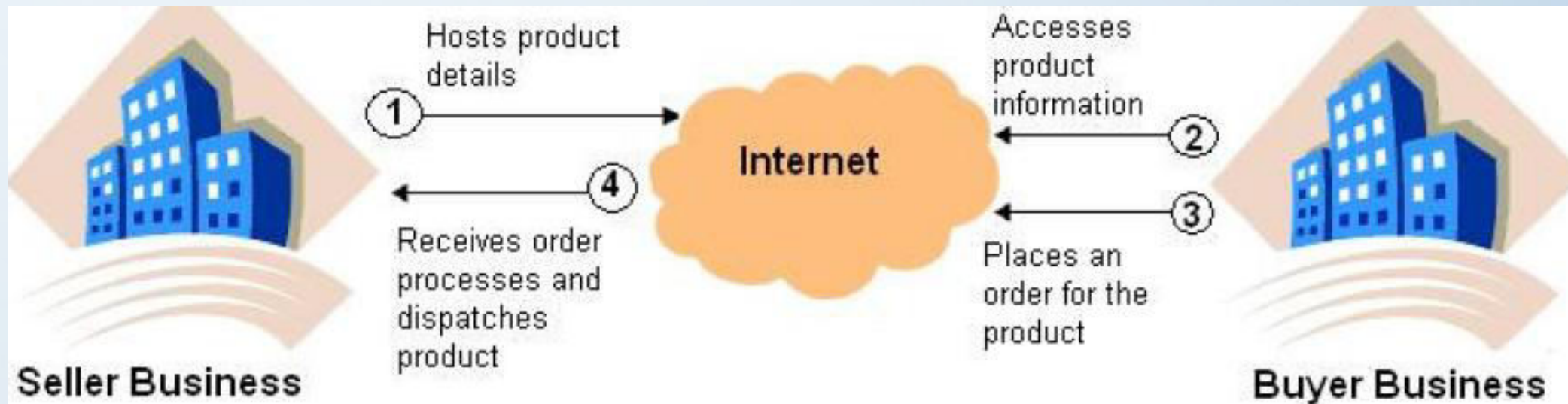
E - Commerce

(BSc CSIT, TU)

Ganesh Khatri
kh6ganesh@gmail.com

Business - to - Business (B2B)

- involves electronic transactions for ordering, purchasing, as well as other administrative tasks between business houses.
- It includes trading goods, such as business subscriptions, professional services, manufacturing, and wholesale dealings
- Sometimes in the B2B model, business may exist between virtual companies, neither of which may have any physical existence.
- In such cases, business is conducted only through the Internet. Eg amazon



Advantages of Business - to - Business (B2B)

- **Direct interaction with customers :**
 - This is the greatest advantage of e-business
- **Focused sales promotion :**
 - This information gives authentic data about the likes, dislikes and preferences of clients and thus helps the company bring out focused sales promotion drives which are aimed at the right audience.
- **Building customer loyalty :**
 - It has been observed that online customers can be more loyal than other customers if they are made to feel special and their distinct identity is recognized and their concerns about privacy are respected.
 - It has also been found that once the customers develop a binding relationship with a site and its product, they do not like to shift loyalties to another site or product

Advantages of Business - to - Business (B2B)

- **Scalability :**

- This means that the Web is open and offers round-the-clock access.
- This provides an access never known before, to the customer.
- This access is across locations and time zones.
- Thus a company is able to handle many more customers on a much wider geographical spread if it uses an e-business model

- **Savings in distribution costs :**

- A company can make huge savings in distribution, logistical and after-sales support costs by using e-business models.
- Typical examples are of computer companies, airlines, and telecom companies

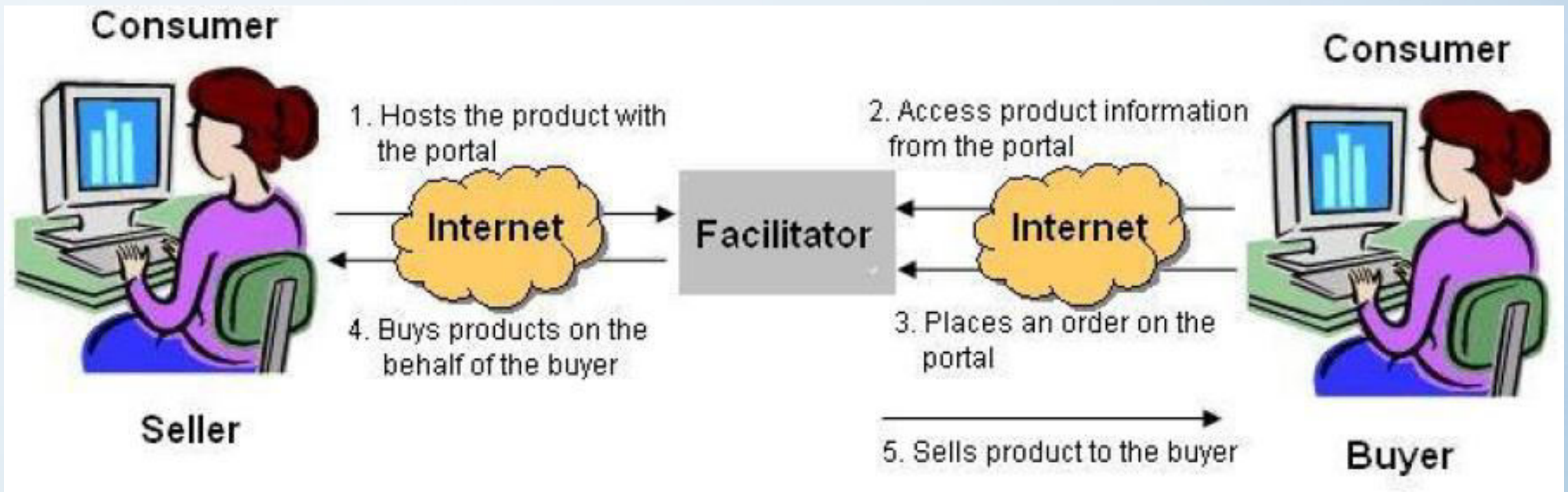
- **Note :** Due to large number of transactions involved, B2B operations can be too risky if e-business applications can not guarantee adequate quality of service in terms of performance, availability and security

Processes in B2B(How does B2B work)

- B2B interactions involve much more complexity than B2C.
- For instance, typical B2B transactions include, the following steps
 - review catalogues,
 - identify specifications
 - define requirements
 - post request for proposals (REP)
 - review vendor reputation
 - select vendor
 - fill out purchase orders (PO)
 - send PO to vendor
 - prepare invoice
 - send PO to vendor
 - prepare invoice
 - make payment
 - arrange shipment
 - organize product inspection and reception

Consumer to Consumer(C2C)

- involves transaction between consumers.
- Here, a consumer sells directly to another consumer.
- eBay, bazee.com, hamrobazar are common examples of online auction Web sites that provide a consumer to advertise and sell their products online to another consumer.

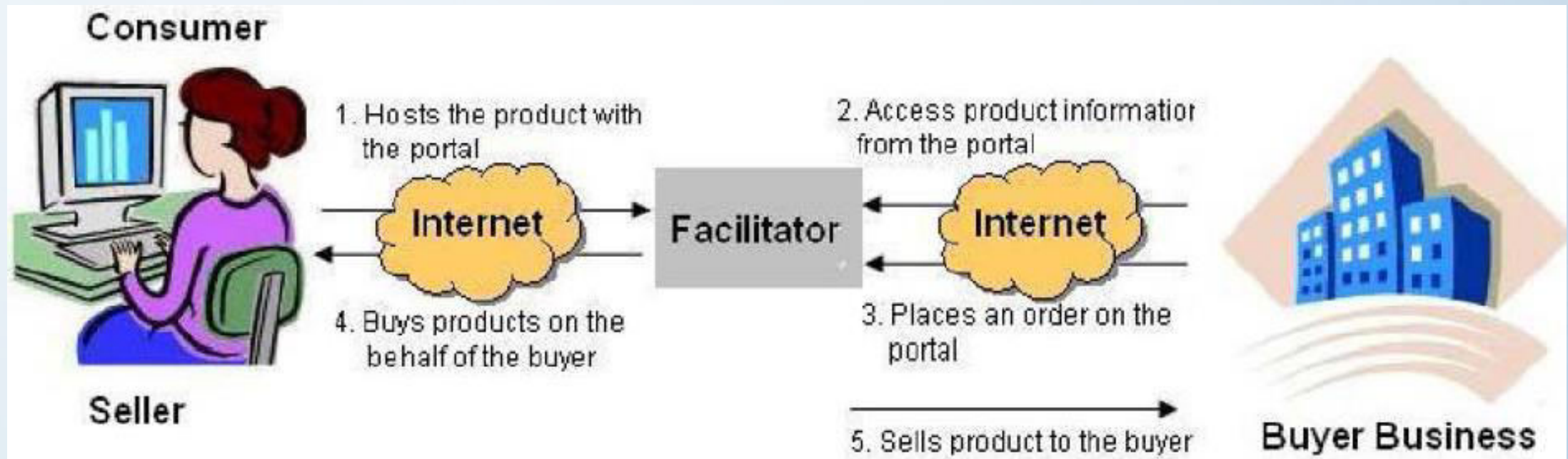


Consumer to Consumer(C2C)

- However, it is essential that both the seller and the buyer must register with the auction site.
- While the seller needs to pay a fixed fee to the online auction house to sell their products, the buyer can bid without paying any fee.
- The site brings the buyer and seller together to conduct deals.

Consumer to Business(C2B)

- involves a transaction that is conducted between a consumer and a business organization.
- It is similar to the B2C model, however, the difference is that in this case the consumer is the seller and the business organization is the buyer



Consumer to Business(C2B)

- In this kind of a transaction, the consumers decide the price of a particular product rather than the supplier.
- This category includes individuals who sell products and services to organizations.
- For example, monster.com, upwork.com, merojob.com is a Web site on which a consumer can post his bio-data for the services he can offer.
- Any business organization that is interested in deploying the services of the consumer can contact him and then employ him, if suitable.