DIGITAL BUSINESS

FEBIHA KHAN 14TH NOVEMBER 2022

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SUMMARY OF LECTURE

- Introduction to Digital Business
- Digital Business, E-Commerce & E-Business
- Inbound Marketing
- Variations in online presence between countries and organisations
- Bring it All Together

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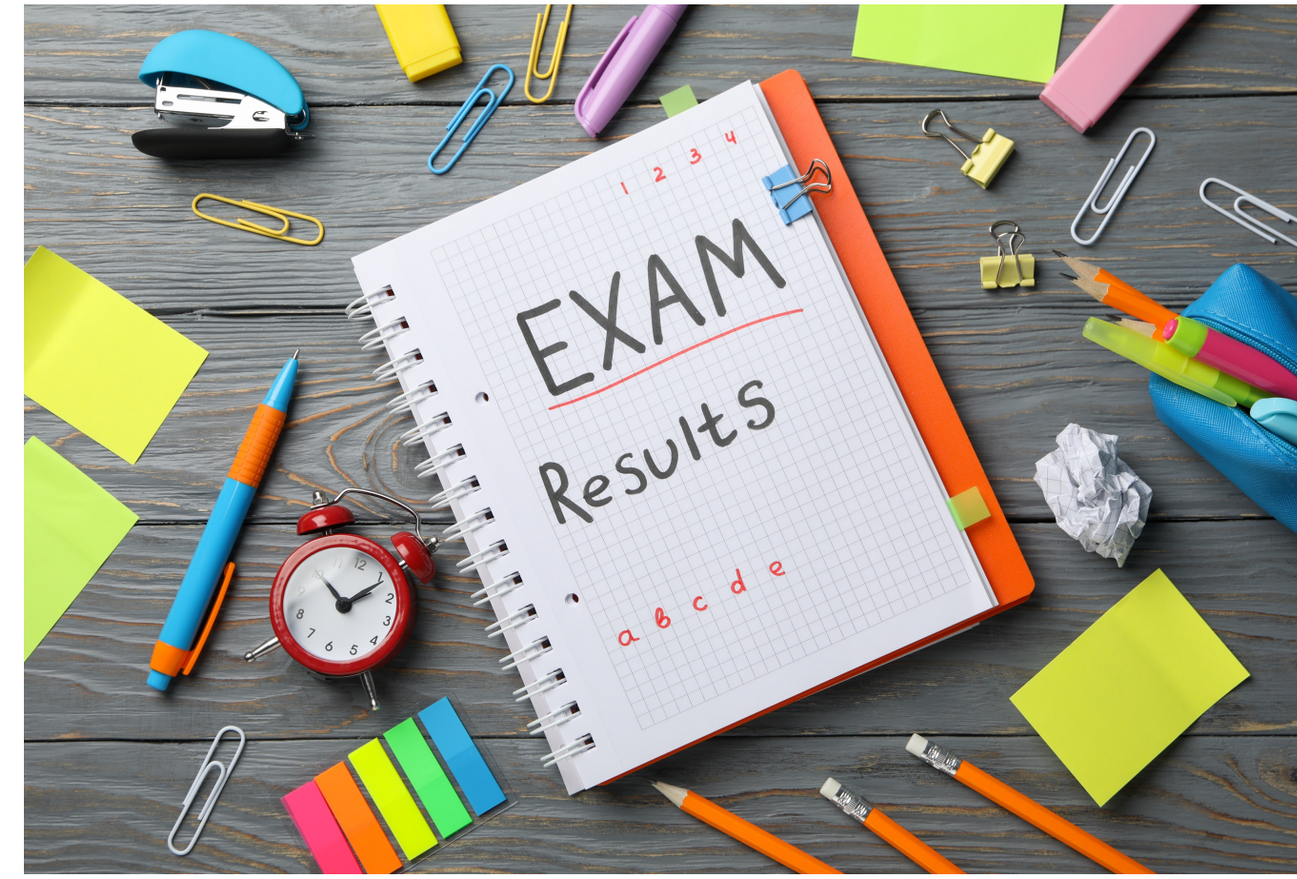
LEARNING OUTCOMES

- Describe the content of the module
- Have an introduction to the growth of e-business and why it is so important to business
- Have an understanding of the importance of e-business to international trade and globalisation



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Go to **www.menti.com** and use the code

Your feelings about this module in three words?

Mentimeter

Change question

In the beginning …

There was only,

e-commerce

then there was,

e-business

now there is

digital business

What is difference and does it matter?

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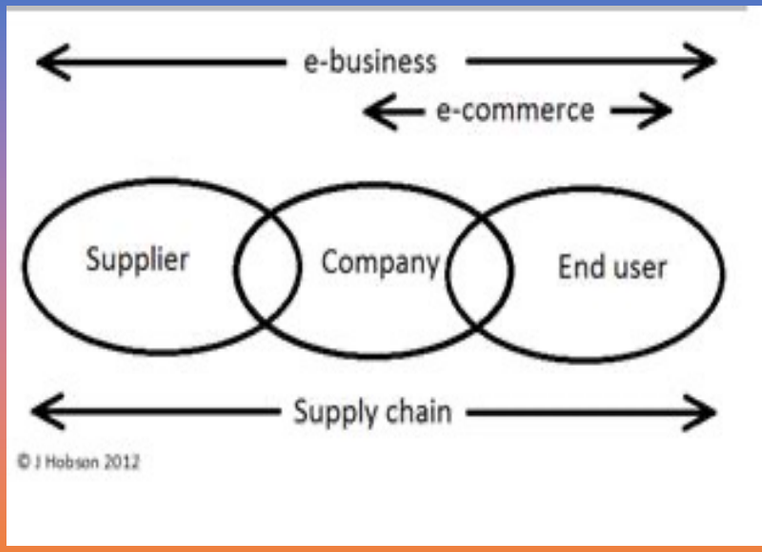

As can be seen on the diagram above, **e-commerce** covers the interactions between a company and the end user whilst **e-business** covers e-commerce but also includes the interactions between a company and its suppliers – the whole supply chain.

E-business increasingly includes the logistics companies that link the suppliers with the company and the end user.

As technology has advanced, for example with the development of smart phones, cloud computing and big data there is barely an area of the economy that is not affected by digital transactions and relationships. We therefore begun to think of the **Digital Business** as covering all of this.

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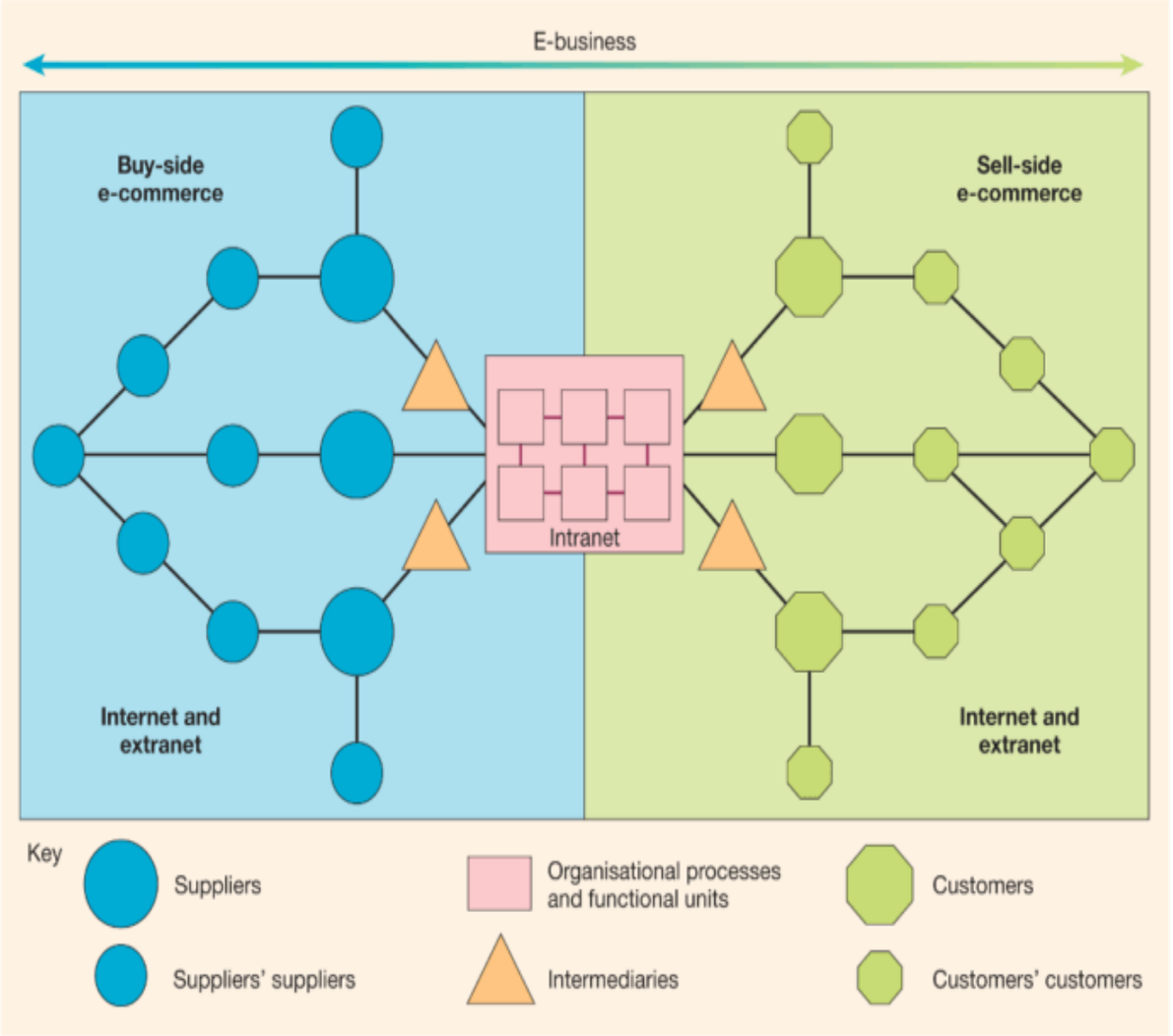

E-commerce defined

Dave Chaffey (2019), says "***e-commerce should be considered as all electronically mediated information exchanges between an organisation and its external stakeholders.***"

Sell-side e-commerce

E-commerce transactions between a supplier organisation and its customers.

Buy-side e-commerce

E-commerce transactions between a purchasing organisation and its suppliers.

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Slide 3.15

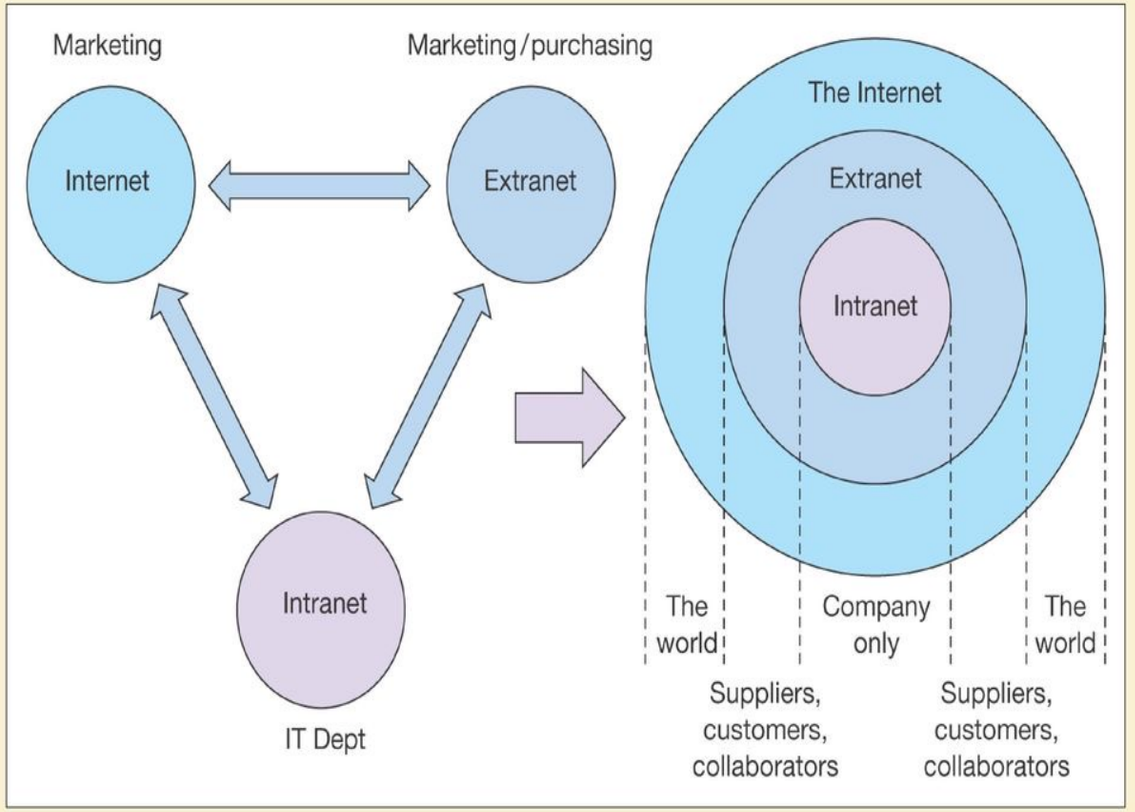

Figure 3.5 The relationship between intranets, extranets and the Internet

Dave Chaffey, *E-Business and E-Commerce Management*, 3rd Edition © Marketing Insights Ltd 2007

Digital business defined

Chaffey (2019) definition of ***Digital Business is 'How businesses apply digital technology and media to improve the competitiveness of their organisation through optimising internal processes with online and traditional channels to market and supply'.***

Intranet

A private network within a single company using Internet standards to enable employees to access and share information using web technology.

Extranet

A service provided through Internet and web technology delivered by extending an intranet beyond a company to customers, suppliers and collaborators. .

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TYPES of e-BUSINESS

To: Consumer of content/service \ From: Supplier of content/service	*Consumer or citizen*	*Business (organisation)*	*Government*
Consumer or citizen	**Consumer-to-Consumer (C2C)** • eBay • Peer-to-Peer (Skype) • Blogs and communities • Product recommendations • Social networks: MySpace, Bebo	**Business-to-Consumer (B2C)** • Transactional: Amazon • Relationship-building: BP • Brand-building: Unilever • Media owner – News Corp • Comparison intermediary: Kelkoo, Pricerunner	**Government-to-Consumer (G2C)** • National government transactional: Tax – inland revenue • National government information • Local government services
Business (organisation)	**Consumer-to-Business (C2B)** • Priceline • Consumer-feedback, communities or campaigns	**Business-to-Business (B2B)** • Transactional: Euroffice • Relationship-building: BP • Media Owned: Emap business publications • B2B marketplaces: EC21	**Government-to-Business (G2B)** • Government services and transactions: tax • Legal regulations
Government	**Consumer-to-Government (C2G)** • Feedback to government through pressure group or individual sites	**Business-to-Government (B2G)** • Feedback to government businesses and non-governmental organisations	**Government-to-Government (G2G)** • Inter-government services • Exchange of information

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Harvard Business Review 'Idea Cast' Podcast Episode 'How Jeff Bezos Built One Of The World's Most Valuable Companies'

In the below podcast episode from HBR Idea Cast from Harvard Business review, Sunil Gupta, who is a Harvard Business School professor explains how Amazon 'upended' traditional corporate strategy with its focus on diversifying into multiple products that would serve many end users.

https://podcasts.apple.com/ie/podcast/hbr-ideacast/id152022135?i=1000499021037

Reflection

Think about the innovation you have witnessed during the time you have used a mobile device. What would you say are the main businesses that operate in your country that have changed the way people spend their time or buy online.

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The impact of digital communications & digital transformation

Table 1.1 Timeline of innovation in business model or communications approach

Year founded	Company/site	Category of innovation and business model
1994	Amazon	Retailer
1995 (March)	Yahoo! (yahoo.com)	Directory and portal
1995 (Sept)	eBay	Online auction
1995 (Dec)	AltaVista (altavista.com)	Search engine
1996	Hotmail (hotmail.com)	Web-based email Viral marketing (using email signatures to promote service) Purchased by Microsoft in 1997
1998	GoTo.com (goto.com), became Overture (2001)	Pay-per-click search marketing Purchased by Yahoo! in 2003
1998	Google (google.com)	Search engine
1999	Blogger (blogger.com)	Blog publishing platform Purchased by Google in 2003
1999	Alibaba (alibaba.com)	B2B marketplace with $1.7 billion IPO on Hong Kong stock exchange in 2007
1999	MySpace (myspace.com), formerly eUniverse	Social network Purchased by News Corp. in 2005
2001	Wikipedia (wikipedia.com)	Open encyclopaedia
2002	Last.fm	A UK-based Internet radio and music community website
2003	Skype (skype.com)	Peer-to-peer Internet telephony VoIP – Voice over Internet Protocol Purchased by eBay in 2005
2003	Second Life (secondlife.com)	Immersive virtual world
2004	Facebook (facebook.com)	Social network applications and groups
2005	YouTube (youtube.com)	Video sharing and rating
2006	Spotify (spotify.com)	Music track streaming
2009	Foursquare (foursquare.com)	A location-based social media website designed for mobile access
2011	Pinterest	Social network offering image sharing
2013	Slack (slack.com)	Collaborative team-working tool
2014	Google Glass	An example of a wearable computing device
2015	Apple Watch	An example of a wearable computing device
2016	Pokémon Go	Augmented reality gaming
2018	IBM Watson	An example of machine learning

During the period shown in Table 1.1, managers of at established businesses have had to determine how to apply new digital communications technologies to transform their organisations.

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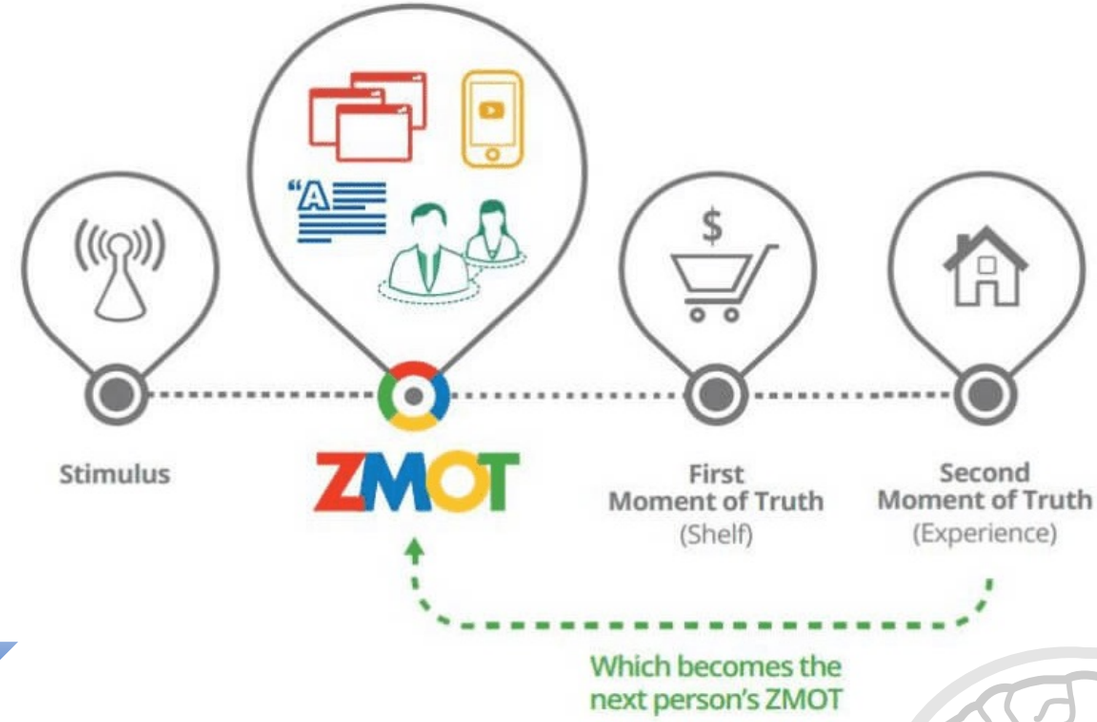
INBOUND MARKETING

Search marketing
Companies seek to improve their visibility in search engines for relevant search terms by increasing their presence in the search engine results pages.



Social media marketing
Monitoring and facilitating customer interaction and participation throughout the web to encourage positive engagement with a company and its brands.

Content marketing
'. . . the marketing and business process for creating and distributing relevant and valuable content to attract, acquire, and engage a clearly defined and understood target audience – with the objective of driving profitable customer action.'

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Variations in Online Presence between Countries and Organisations

SIMILAR WEB

- What does it do?
- How can organisations use the data it generates?
- What would an organisation expect to pay for such market data in a month/ year?

Source (Similarweb, 2021)

Activity
Choose one of the organisations in your search of Similarweb. Analyse the online presence of the organisation in terms of it's website & social media presence. What tactics does it use to keep visitors engaged on it's website and social media channels.

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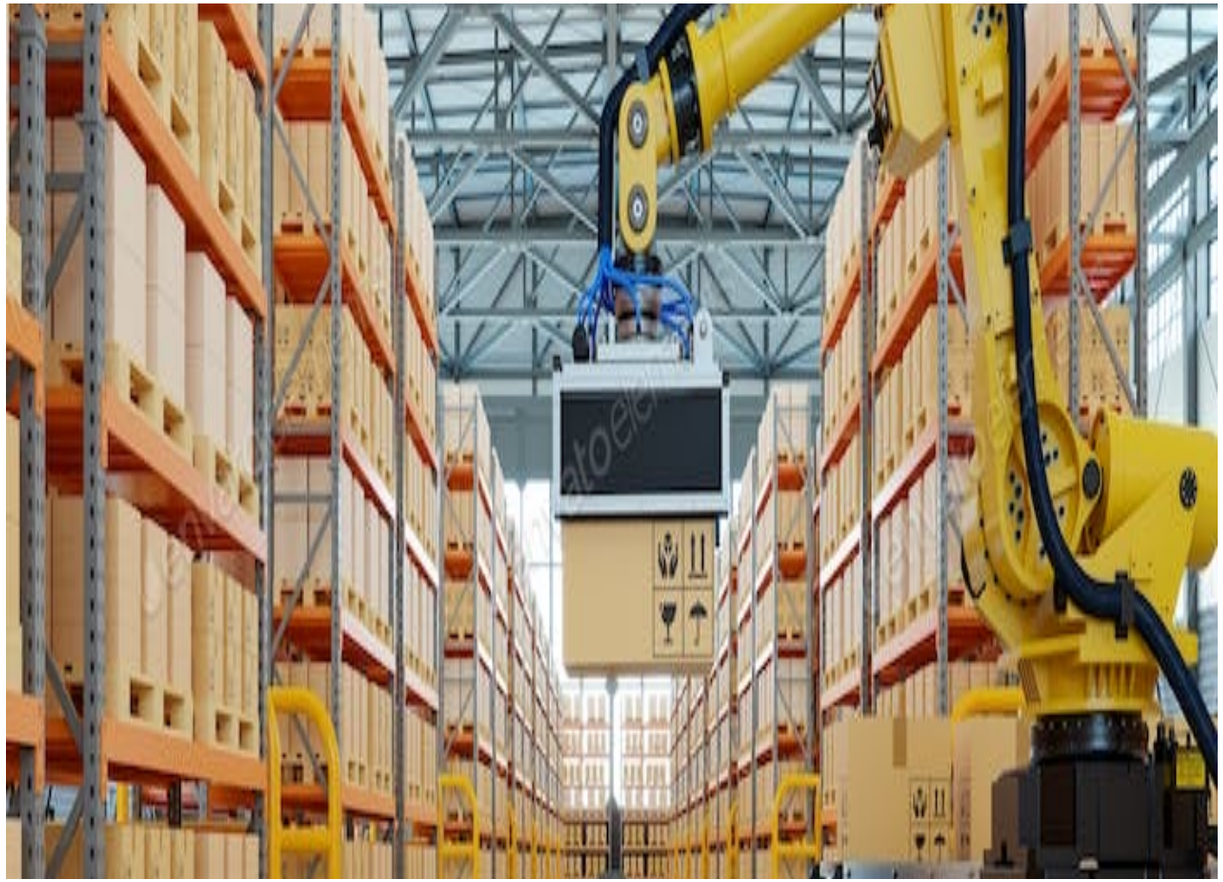
Bring it All Together



You have learned what are the different types of e-businesses and the meaning of e-commerce, e-business and the digital business. We outlined how the internet has grown in terms of its reach and hinted at some of the drivers of future growth. This session helps you bring your understanding together and summarise key points.

NEXT WEEK: Using Amazon as a case study, assess how the development of e-business and the internet together with the strategic decisions taken by its management team have supported Amazon's continued growth.

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:Padlet

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Share your thoughts with me

THANK
YOU