

# **Chapter 2**

## **E-Commerce Business Models and Concepts**

# Learning Objectives

- Know the key components of e-commerce business models.
- Know the major B2C business models.
- Know the major B2B business models.

# Contents

- E-commerce Business Models
- Major Business-To-Consumer (B2C) Business Models
- Major Business-To-Business (B2B) Business Models
- How E-Commerce Changes Business

# Part 1

## E-commerce Business Models

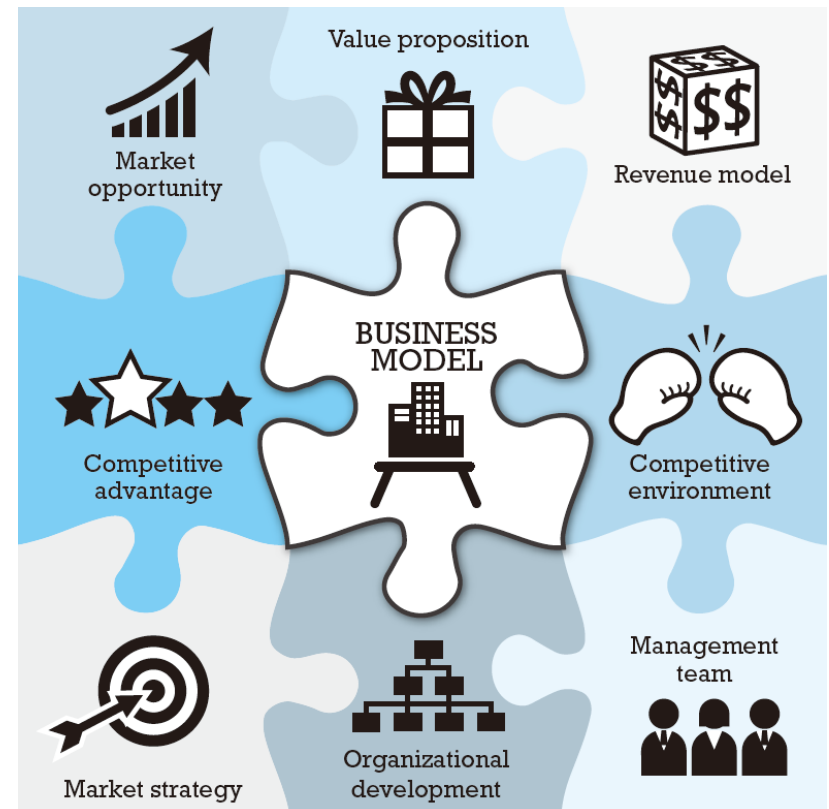
# E-Commerce Business Models

- Business model
  - A set of planned activities (sometimes referred to as business processes) designed to result in a profit in a marketplace.  
為從市場上獲得利潤而預先規劃好的一系列活動（有時也稱為業務流程）。
- Business plan
  - A document that describes a firm's business model.  
一份描述企業商業模式的文檔。
- E-commerce business model
  - A business model that aims to use and leverage the unique qualities of the Internet, the Web, and the mobile platform.  
一種旨在充分發揮互聯網、萬維網和移動平臺的特性的商業模式。

# Eight Key Elements of a Business Model

- Value proposition  
價值主張
- Revenue model  
盈利模式
- Market opportunity  
市場機會
- Competitive environment  
競爭環境
- Competitive advantage  
競爭優勢
- Market strategy  
營銷戰略
- Organizational development  
組織發展
- Management team  
營銷團隊

The most important and most easily identifiable aspects of a company's business model.



# Eight Key Elements of a Business Model

COMPONENTS	KEY QUESTIONS
Value proposition	Why should the customer buy from you?
Revenue model	How will you earn money?
Market opportunity	What marketplace do you intend to serve, and what is its size?
Competitive environment	Who else occupies your intended marketplace?
Competitive advantage	What special advantages does your firm bring to the marketplace?
Market strategy	How do you plan to promote your products or services to attract your target audience?
Organizational development	What types of organizational structures within the firm are necessary to carry out the business plan?
Management team	What kinds of experiences and background are important for the company's leaders to have?

# 1. Value Proposition

- A company's value proposition is at the very heart of its business model.  
企業的价值主張是企業商業模式的核心。
- A value proposition defines how a company's product or service fulfills the needs of customers.  
價值主張明確了一家企業的產品或服務如何滿足客戶的需求。
- To develop and/or analyze a firm's value proposition, you need to understand:  
為制定或分析價值主張，需要考慮
  - Why customers will choose to do business with the firm instead of another company.  
為什麼客戶要選擇與貴公司做生意而不是其他企業。
  - What the firm provides that other firms do not and cannot.  
貴公司能提供哪些其他企業不具備的東西。



# 1. Value Proposition

- From the consumer point of view, successful e-commerce value propositions:
  - Personalization and customization of product offerings  
個性化定制產品和服務
  - Reduction of product search costs  
產品搜索成本的降低
  - Reduction of price discovery costs  
價格發現成本的降低
  - Facilitation of transactions by managing product delivery  
通過交付管理使交易更便捷

## 2. Revenue Model

- “How will you earn money?”
- Revenue model describes how the firm will earn revenue, generate profits, and produce a superior return on invested capital.  
盈利模式描述企業如何獲得收入、產生利潤以及獲得高額的投資回報。
- Major types of revenue models:
  - Advertising revenue model 廣告盈利模式
  - Subscription revenue model 訂閱盈利模式
  - Transaction fee revenue model 交易佣金盈利模式
  - Sales revenue model 銷售盈利模式
  - Affiliate revenue model 會員制盈利模式

## 2. Revenue Model

- Major types of revenue models:
  - Advertising revenue model 廣告盈利模式
    - Companies offer content, services, and/or products, also provide a forum for advertisements and receive fees from advertisers.  
企業向用戶提供信息、服務或者產品，並設置廣告專區供廣告商付費使用。
  - Subscription revenue model 訂閱盈利模式
    - Companies offer content or services and charge subscription fees for access to some or all of its offerings  
企業向用戶提供信息和服務，並向用戶收取部分或者全部內容的訂閱費。
  - Transaction fee revenue model 交易佣金盈利模式
    - Companies receive fees for enabling or executing a transaction.  
企業因幫助完成或執行交易而收取費用。

## 2. Revenue Model

- Major types of revenue models:
  - Sales revenue model 銷售盈利模式
    - Companies derive revenue by selling goods, content, or services to customers.  
企業通過向顧客銷售產品、信息或服務獲取收入。
  - Affiliate revenue model 會員制盈利模式
    - Companies steer business to an “affiliate” receive a referral fee or percentage of the revenue from any resulting sales.  
企業向會員提供業務機會，收取推薦費或從交易收入中獲取一定百分比的提成。

## 2. Revenue Model 盈利模式

- Major types of revenue models

Revenue Model	Example	Revenue Source
Advertising	Baidu	Fees from advertisers in exchange for advertisements
Subscription	Netflix	Fees from subscribers in exchange for access to content or services
Transaction Fee	eBay	Fees (commissions) for enabling or executing a transaction
Sales	Amazon	Sales of goods, information, or services
Affiliate	MyPoints	Fees for business referrals

### 3. Market Opportunity

- Market opportunity refers to the company's intended marketspace (i.e., an area of actual or potential commercial value) and the overall potential financial opportunities available to the firm in that marketspace.  
市場機會是指企業所預期的市場空間（即有實際或潛在商務價值的區域）以及企業在該市場中可能獲得潛在財務收入的機會。
- “What marketspace do you intend to serve and what is its size?”  
你打算服務什麼市場空間，它的規模有多大？
  - Marketspace: Area of actual or potential commercial value in which company intends to operate.  
市場空間：公司打算經營的具有實際或潛在商業價值的區域。
  - Realistic market opportunity: Defined by revenue potential in each market niche in which company hopes to compete.  
實際的市場機會：由公司希望從參與競爭的小市場中所能獲得的潛在收入來定義。
- Market opportunity typically divided into smaller niches  
市場機會通常分為一個個較小的市場來描述。

## 4. Competitive Environment

- Competitive environment refers to the other companies selling similar products and operating in the same marketplace. It also refers to the presence of substitute products and potential new entrants to the market, as well as the power of customers and suppliers over your business.

競爭環境是指銷售類似產品並在同一市場中運營的其他企業.它還指替代產品的存在和進入市場的新途徑，以及客戶和供應商對你商務的影響力。

- Influenced by several factors:
  - Number and size of active competitors 活躍競爭對手的數量和規模
  - Each competitor's market share 每個競爭對手的市場份額
  - Competitors' profitability 競爭對手的盈利能力
  - Competitors' pricing 競爭對手如何定價

## 4. Competitive Environment

### Competitors

- Direct competitors are companies that sell very similar products and services into the same market segment.

直接競爭對手是向同一細分市場銷售非常相似的產品和服務的企業。(去哪兒和攜程)

- Indirect competitors are companies that may be in different industries but still compete indirectly because their products can substitute for one another.

間接競爭對手是指可能屬不同行業但仍存在競爭關係的企業，因為它們的產品可以相互替代。(汽車製造商和航空公司屬於不同的行業，但它們是間接競爭對手，因為它們為消費者提供了可替代的交通工具。



## 4. Competitive Environment

### Competitors

- The existence of a large number of competitors in any one markets may be a sign that the market is saturated and that it may be difficult to become profitable. On the other hand, a lack of competitors could signal either an untapped market niche ripe for the picking, or a market that has already been tried without success because there is no money to be made.

任何市場中存在大量競爭者可能表明市場已經飽和，並且可能難以盈利。反之，缺少競爭對手的市場可能意味著進入尚未開拓的市場，或者已經嘗試過但沒有成功的市場，因為無法盈利。

## 5. Competitive Advantage

- What special advantages does your firm bring to the marketspace? Is your product superior to or cheaper to produce than your competitors?

貴公司為市場空間帶來了哪些特殊優勢？你的產品比競爭對手的產品更好還是更便宜？

- Competitive advantage achieved by a firm when it can produce a superior product and/or bring the product to market at a lower price than most, or all, of its competitors.

當企業能比競爭對手生產出更好的產品，或以向市場推出更低價格的產品時，企業就獲得了競爭優勢。

The use of a company's competitive advantage to penetrate surrounding markets is known as leverage.

利用企業的競爭優勢在周圍市場中獲得更多的競爭優勢被稱為槓桿作用。

## 5. Competitive Advantage

- Important concepts:

- Asymmetries 不對稱

Many firms achieve competitive advantages because they have somehow been able to obtain differential access to the factors of production that are denied to their competitors.

許多企業之所以獲得競爭優勢，是因為它們能夠以某種方式獲得競爭對手無法獲得的各種生產要素。

- First-mover advantage 先發優勢

It is a competitive market advantage for a firm that results from being the first into a marketplace with a serviceable product or service. If first movers develop a loyal following or a unique interface that is difficult to imitate, they can sustain their first-mover advantage for long periods.

企業率先進入市場提供有用的產品和服務而獲得的競爭優勢。如果先行者發展出忠實的客戶群或設計出別人難以模仿的獨特界面，他們就可以長期保持先發優勢。

## 5. Competitive Advantage 競爭優勢

- Important concepts:

- Unfair competitive advantage 不公平的競爭優勢

Unfair competitive advantage occurs when one firm develops an advantage based on a factor that other firms cannot purchase. For instance, a brand name usually cannot be purchased and is in that sense an “unfair” advantage.

當一家企業基于其他企業不能獲得的條件因素建立起優勢時，就出現了不公平競爭優勢。例如，品牌名稱通常無法購買，從這個意義上說，這是一種“不公平”的優勢。

- Perfect markets 完美市場

In perfect markets, there are no competitive advantages or asymmetries because all firms have access to all the factors of production (including information and knowledge) equally. However, real markets are imperfect, and asymmetries leading to competitive advantages do exist, at least in the short term.

在完美市場中，不存在競爭優勢或不對稱，因為所有企業都能均等地獲得所需要的生產要素（包括信息和知識）。然而，實際市場並不完美，導致競爭優勢的不對稱性確實存在，至少在短期內如此。

## 6. Market Strategy

- Market strategy is the plan you put together that details exactly how you intend to enter a new market and attract new customers.

營銷策略是一個闡述如何進入市場、吸引新客戶的詳細計劃。

- Details how a company intends to enter market and attract customers.

詳細說明企業打算如何進入市場並吸引客戶。

- Best business concepts will fail if not properly marketed to potential customers.

如果沒有正確地向潛在客戶推銷，那麼即使是最好的商務理念和構想也會失敗。

## 7. Organizational Development

- Organizational development plan describes how the company will organize the work that needs to be accomplished.

組織發展計劃是一個描述企業將如何组织需要完成的工作的計劃。

- Typically, divided into functional departments, and then recruitment begins for specific job titles and responsibilities. As company grows, hiring moves from generalists to specialists.

通常企業的工作劃分到各職能部門（如生產、營銷、運輸等），隨後就能為企業的工作崗位和職能招聘人員。隨著企業的成長，招聘的人員則會越來越專業化。

## 8. Management Team

- The single most important element of a business model is the management team responsible for making the model work.  
商業模式中最重要元素是負責模式運作的管理團隊。
- A strong management team:
  - Can give credibility to outside investors  
獲得外界投資人的信任
  - Has market-specific knowledge  
有相關市場的知識
  - Has experience in implementing business plans  
有實施商業計劃的經驗

# Raising Capital

- Raising capital is one of the most important functions for a founder of a start-up business and its management team.  
對於初創企業的創始人及其管理團隊來說，籌集資金是最重要的職能之一。
- Traditional sources of capital include:
  - Incubators 孵化器
  - Angel investors 天使投資人
  - Venture capital firms 風險資本投資者
  - Crowdfunding 眾籌



# Raising Capital

- Traditional sources of capital include:

- Incubators 孵化器

They typically provide a small amount of funding, but more importantly, also provide an array of services to start-up companies that they select, such as business, technical, and marketing assistance, as well as introductions to other sources of capital. (TechStars, DreamIt, and Capital Factory)

他們通常提供少量資金，但更重要的是他們還為被選擇的創業公司提供一系列服務，例如商業、技術和市場營銷援助，以及介紹其他資金來源。

- Angel investors 天使投資人

Angel investors are typically wealthy individuals (or a group of individuals) who invest their own money in an exchange for an equity share in the stock in the business and are interested in helping a company grow and succeed.

天使投資人通常是具有一定財富的個人（或一群人），他們將自己的錢投資于企業以換取股權份額，而他們的興趣點在於幫助企業快速成長。

# Raising Capital

- Traditional sources of capital include:
  - Venture capital firms 風險資本投資者

Venture capital investors invest funds they manage for other investors such as investment banks, pension funds, insurance companies, or other businesses, and usually want to obtain a larger stake in the business and exercise more control over the operation of the business.

風險資本投資者將其管理的資金投資于其他投資者，例如投資銀行、養老基金、保險公司或其他企業，通常希望獲得該企業更大的股份，並對企業的運營進行更多控制。

- Crowdfunding 衆籌

Crowdfunding involves using the Internet to enable individuals to collectively contribute money to support a project.

衆籌包括利用互聯網使個人能够共同出資來支持項目。

# Raising Capital

## Elevator Pitch

- One of the most important aspects of raising capital is the ability to boil down the elements of the company's business plan into an **elevator pitch**, a short two-to-three minute (about the length of an elevator ride, giving rise to its name) presentation.

籌集資金最重要的一個方面是能够將公司商業計劃的要素歸納為一個**電梯演講**，即兩到三分鐘的簡短陳述（因與乘坐電梯的時常大致相同而得名）。

# Raising Capital

## KEY ELEMENTS OF AN ELEVATOR PITCH

ELEMENT	DESCRIPTION
Introduction	Your name and position; your company's name, and a tagline in which you compare what your company does to a well-known company. Example: "My name is X, I am the founder of Y, and we are the Uber/Amazon of Z."
Background	The origin of your idea and the problem you are trying to solve.
Industry size/market opportunity	Brief facts about the (hopefully very large) size of the market.
Revenue model/numbers/growth metrics	Insight into your company's revenue model and results thus far, how fast it is growing, and early adopters, if there are any.
Funding	The amount of funds you are seeking and what it will help you achieve.
Exit strategy	How your investors will achieve a return on their investment.

## Part 2

# Major Business-To-Consumer (B2C) Business Models

# B2C Business Models

- Business-to-consumer (B2C) e-commerce, in which online businesses seek to reach individual consumers, is the most well-known and familiar type of e-commerce.

在企業對消費者 (B2C) 的電子商務中，網絡企業盡力去贏得個體消費者的電子商務，這是人們最熟悉也是最流行的電子商務類型。

# B2C Business Models

- E-tailer 電子零售商
- Community provider 社區服務商
- Content provider 內容提供商
- Portal 門戶網站
- Transaction broker 交易經濟人
- Market creator 市場創建者
- Service provider 服務提供商

## B2C Models: E-Tailer

- Online retail stores, often called e-tailers, come in all sizes, from giant Taobao to tiny local stores. E-tailers are similar to the typical bricks-and-mortar storefront, except that customers only have to connect to the Internet or use their smartphone to place an order.

在綫零售店通常被稱為電子零售商，規模大小各異，從大型淘寶到小型本地商店。電子零售商與典型的實體門店類似，只是客戶需接入互聯網或使用智能手機下訂單。

- Revenue model: Sales 收入模式: 銷售
- Low barriers to entry 進入門檻低
- Example: Taobao, Jingdong

淘寶  
Taobao



JD.COM



# B2C Models: E-Tailer

- Variations 變體

- Virtual merchant 虛擬商家

Online version of retail store, where customers can shop at any hour of the day or night without leaving their home or office

零售店的在線版本，消費者無需離開家或辦公室，可以在任何時候購物

- Bricks-and-clicks 實體店

Online distribution channel for a company that also has physical stores

有實體店面的企業使用在線分銷渠道

- Manufacturer-direct 製造商直銷

Manufacturer uses online channel to sell direct to customer

製造商利用網上渠道直接向客戶銷售

# B2C Models: Community Provider

- Provide online environment (social network) where people with similar interests can transact, share content, and communicate

社區服務商創建數字化在線環境的網站（社交網絡），興趣愛好相似的人可以在這裏進行交易（買賣產品），分享興趣愛好、照片、視頻，以及相互溝通。

— Examples: RED (REDnote, Xiaohongshu), Tiktok

- Revenue models 收入模式:

— Typically hybrid, combining advertising, subscriptions, sales, transaction fees, and so on

混合的盈利模式，收取廣告費、收取訂閱費獲得銷售收入、收取交易費等。



# B2C Models: Content Provider

- Digital content on the Web 利用網絡分銷各類數字信息內容
  - News, music, video, text
- Revenue models 收入模式
  - Use variety of models, including advertising, subscription; sales of digital goods
    - 通過多種盈利模式獲取利潤，包括廣告、訂閱費以及銷售電子商品
  - Key to success is typically owning the content
    - 想成為成功的內容提供商，關鍵是要擁有信息內容
- Example: Netflix, Apple Music

**NETFLIX**

 **Music**

# B2C Business Models: Portal

- Search plus an integrated package of content and services  
提供強大的網絡搜索工具，而且集成一體化的內容和服務
- Revenue models 收入模式
  - Advertising, referral fees, transaction fees, subscriptions for premium services  
收取廣告費、交易費，收取將消費者引導向其他網站的推薦費，收取優質服務的費用
- Example: Baidu, Google



# B2C Models: Transaction Broker

- Process online transactions for consumers  
為消費者處理在綫個人交易的網站
  - Primary value proposition—saving time and money  
主要價值主張-在于節省時間和金錢
- Revenue models 收入模式
  - Transaction fees 交易費用
- Industries using this model 采用這種模式的行業
  - Financial services 金融服務
  - Travel services 旅游服務
  - Job placement service 職業介紹服務
- Example: Zhaopin Limited



# B2C Models: Market Creator

- Create digital environment where buyers and sellers can meet and transact  
建立了一個數字化的環境,使得買賣雙方能够在此碰面和交易
  - Examples: Priceline, eBay
- Revenue models 收入模式
  - Transaction fees, fees to merchants for access  
交易費用,進入市場的貨物的費用
- Example of the market creator business model—On-demand service companies (sharing economy): platforms that allow people to sell services  
市場創建者商業模式範例——按需服務公司 (有時也稱為共享經濟公司): 允許人們借助平臺提供諸如交通工具或閑置房屋等銷售服務
  - Examples: Uber, Airbnb

The Uber logo, consisting of the word "Uber" in a bold, black, sans-serif font.The Airbnb logo, featuring a red outline of a stylized location pin or 'A' shape followed by the word "airbnb" in a lowercase, red, sans-serif font.

# B2C Models: Service Provider

- Online services 在綫服務
  - Example: Google—Google Maps, Gmail, and so on
- Value proposition 價值主張
  - Valuable, convenient, time-saving, low-cost alternatives to traditional service providers  
更有價值、更便利、更省時、更低成本的服務或提供真正獨特的網絡服務
- Revenue models 收入模式
  - Sales of services, subscription fees, advertising, sales of marketing data  
銷售服務、訂閱費、廣告、銷售市場數據
- Example: Envoy Global

The logo for Envoy Global, featuring the company name in white, uppercase letters on a dark blue rectangular background.

ENVOYGLOBAL

B2C BUSINESS MODELS				
BUSINESS MODEL	VARIATIONS	EXAMPLES	DESCRIPTION	REVENUE MODELS
E-tailer	Virtual Merchant	Amazon Blue Nile Bluefly	Online version of retail store, where customers can shop at any hour of the day or night without leaving their home or office	Sales of goods
	Bricks-and-Clicks	Walmart Sears	Online distribution channel for a company that also has physical stores	Sales of goods
	Catalog Merchant	L.L.Bean LillianVernon	Online version of direct mail catalog	Sales of goods
	Manufacturer-Direct	Dell Mattel	Manufacturer uses online channel to sell direct to customer	Sales of goods
Community Provider		Facebook LinkedIn Twitter Pinterest	Sites where individuals with particular interests, hobbies, common experiences, or social networks can come together and "meet" online	Advertising, subscription, affiliate referral fees
Content Provider		Wall Street Journal CNN ESPN Netflix Apple Music	Offers customers newspapers, magazines, books, film, television, music, games, and other forms of online content	Advertising, subscription fees, sales of digital goods
Portal	Horizontal/General	Yahoo AOL MSN Facebook	Offers an integrated package of content, search, and social network services: news, e-mail, chat, music downloads, video streaming, calendars, etc. Seeks to be a user's home base	Advertising, subscription fees, transaction fees
	Vertical/Specialized (Vortal)	Sailnet	Offers services and products to specialized marketplace	Advertising, subscription fees, transaction fees
	Search	Google Bing Ask	Focuses primarily on offering search services	Advertising, affiliate referral
Transaction Broker		E*Trade Expedia Monster Travelocity Orbitz	Processors of online sales transactions, such as stockbrokers and travel agents, that increase customers' productivity by helping them get things done faster and more cheaply	Transaction fees
Market Creator		eBay Etsy Amazon Priceline	Businesses that use Internet technology to create markets that bring buyers and sellers together	Transaction fees
Service Provider		VisaNow Wave RocketLawyer	Companies that make money by selling users a service, rather than a product	Sales of services



## Part 3

# Major Business-To-Business (B2B) Business Models

# B2B Business Models

- In business-to-business (B2B) e-commerce, in which businesses sell to other businesses, is more than 10 times the size of B2C e-commerce, even though most of the public attention has focused on B2C.

在企業對企業 (B2B) 的電子商務中，企業向其他企業銷售商品，其規模是 B2C 電子商務的 10 倍以上，盡管大多數公眾的注意力都聚焦於在 B2C 上。

# B2B Business Models

- Net marketplaces 網絡市場
  - E-distributor 電子分銷商
  - E-procurement 電子採購市場
  - Exchange 電子交易市場
  - Industry consortium 產業聯盟
- Private industrial network 會員專用網絡

# B2B Models: E-Distributor

- Companies supply products and services directly to individual businesses are e-distributors.  
直接向個體企業提供產品和服務的企業叫做電子分銷商。
- Owned by one company seeking to serve many customers. With e-distributors, the more products and services a company makes available, the more attractive it is to potential customers.  
由一家尋求為多個客戶服務的企業建立。對於電子分銷商來說，企業在其網站上提供的產品和服務越多，就越有可能吸引潛在客戶。
- Revenue model: Sales of goods  
收入模式: 銷售商品
- Example: Amazon Business



# B2B Models: E-Procurement

- Create digital markets where participants transact for indirect goods.  
建立數字化市場幫助供應商向採購公司銷售商品
  - B2B service providers, SaaS and PaaS providers  
B2B服務提供商，軟件即服務或者平臺即服務的提供商
- Revenue model 收入模式
  - Service fees, supply-chain management, fulfillment services  
服務費，供應鏈管理，履行服務
- Example: Ariba



# B2B Models: Exchanges

- An exchange is an independent digital marketplace where hundreds of suppliers meet a smaller number of very large commercial purchasers.

電子交易市場是一個獨立的數字化電子市場，大量的供應商和少量的大型商務採購者可以在此進行交易。

- Exchanges are owned by independent, usually entrepreneurial startup firms whose business is making a market, and they generate revenue by charging a commission or fee based on the size of the transactions conducted among trading parties.

電子交易市場由獨立於買賣雙方的獨立放擁有，它通常是創業型公司，它的業務就是創建市場，通過收取佣金或按照交易規模收取交易費來賺錢。

- Revenue model: Transaction, commission fees

收入模式：交易、佣金費用

# B2B Models: Industry Consortia

- Industry-owned digital marketplace open to select suppliers, such as the automobile, aerospace, chemical, floral, or logging industries. In contrast, *horizontal marketplaces* sell specific products and services to a wide range of companies.

為某個行業所有的、服務于特定企業的垂直市場，如汽車、航空、化學、花卉、采運業。而水平市場向大範圍的企業銷售特定產品和服務

- More successful than exchanges
  - 比獨立的電子交易市場更容易成功
    - Sponsored by powerful industry players
      - 受到強大的、財力雄厚的業內人士監督
    - Strengthen traditional purchasing behavior
      - 加強了傳統採購行為
- Revenue model: Transaction, commission fees
  - 收入模式: 交易、佣金費用
- Example: SupplyOn



# B2B Models: Industry Consortia

- **Vertical marketplaces** supply a smaller number of companies with products and services of specific interest to their industry, while **horizontal marketplaces** supply companies in different industries with a particular type of product and service, such as marketing-related, financial, or computing services.

垂直市場向小部分企業提供其行業有關的產品和服務，而水平市場為不同行業的企業提供某一類特定的產品和服務，例如營銷、財務或計算處理有關的服務。



# Private Industrial Networks

- Digital network used to coordinate among firms engaged in business together  
數字化的網絡, 可以協調與業務有關的企業間通信流
- Typically evolve out of large company's internal enterprise system  
一般從大公司的內部企業系統演變而來
  - Key, trusted, long-term suppliers invited to network  
邀請關鍵的、受信任的、長期直接原料供應商建立網絡
- Revenue model: Cost absorbed by network owner and recovered through production and distribution efficiencies  
收入模式: 由網絡所有者承擔, 並通過提高生產和分銷效率來獲利
- Example: Walmart's network for suppliers

B2B BUSINESS MODELS			
BUSINESS MODEL	EXAMPLES	DESCRIPTION	REVENUE MODEL
<i>(1) NET MARKETPLACE</i>			
E-distributor	Grainger Amazon Business	Single-firm online version of retail and wholesale store; supply maintenance, repair, operation goods; indirect inputs	Sales of goods
E-procurement	Ariba Supplier Network PerfectCommerce	Single firm creating digital markets where sellers and buyers transact for indirect inputs	Fees for market-making services, supply chain management, and fulfillment services
Exchange	Go2Paper	Independently owned vertical digital marketplace for direct inputs	Fees and commissions on transactions
Industry Consortium	TheSeam SupplyOn	Industry-owned vertical digital market open to select suppliers	Fees and commissions on transactions
<i>(2) PRIVATE INDUSTRIAL NETWORK</i>			
	Walmart Procter & Gamble	Company-owned network that coordinates supply chains with a limited set of partners	Cost absorbed by network owner and recovered through production and distribution efficiencies

# Part 4

## How E-Commerce Changes Business

E-commerce has changed the business environment in the last decade, including

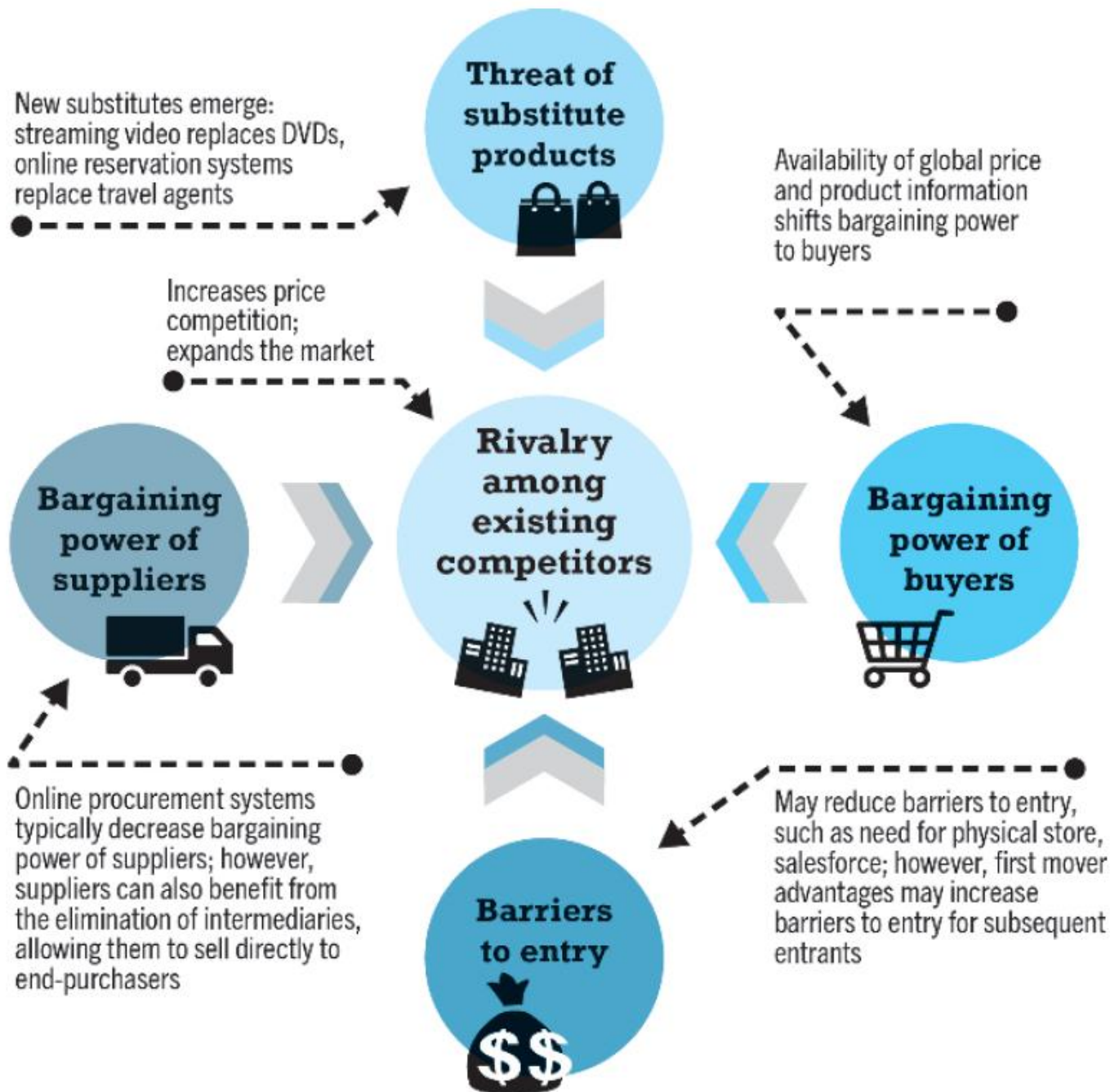
- Industry structures 行業結構
- Business strategies 企業戰略
- Industry and firm operations (business processes and value chains) 行業和企業運營（企業流程和價值鏈）

# 1. Industry Structure

- E-commerce changes **industry structure**  
電子商務改變**行業結構**
  - Rivalry among existing competitors  
現有競爭者間的競爭
  - Barriers to entry  
進入障礙
  - Threat of substitute products  
替代品的威脅
  - Strength of suppliers  
供應商的議價能力
  - Bargaining power of buyers  
買方的議價能力

**Industry structure** refers to the nature of the players in an industry and their relative bargaining power.

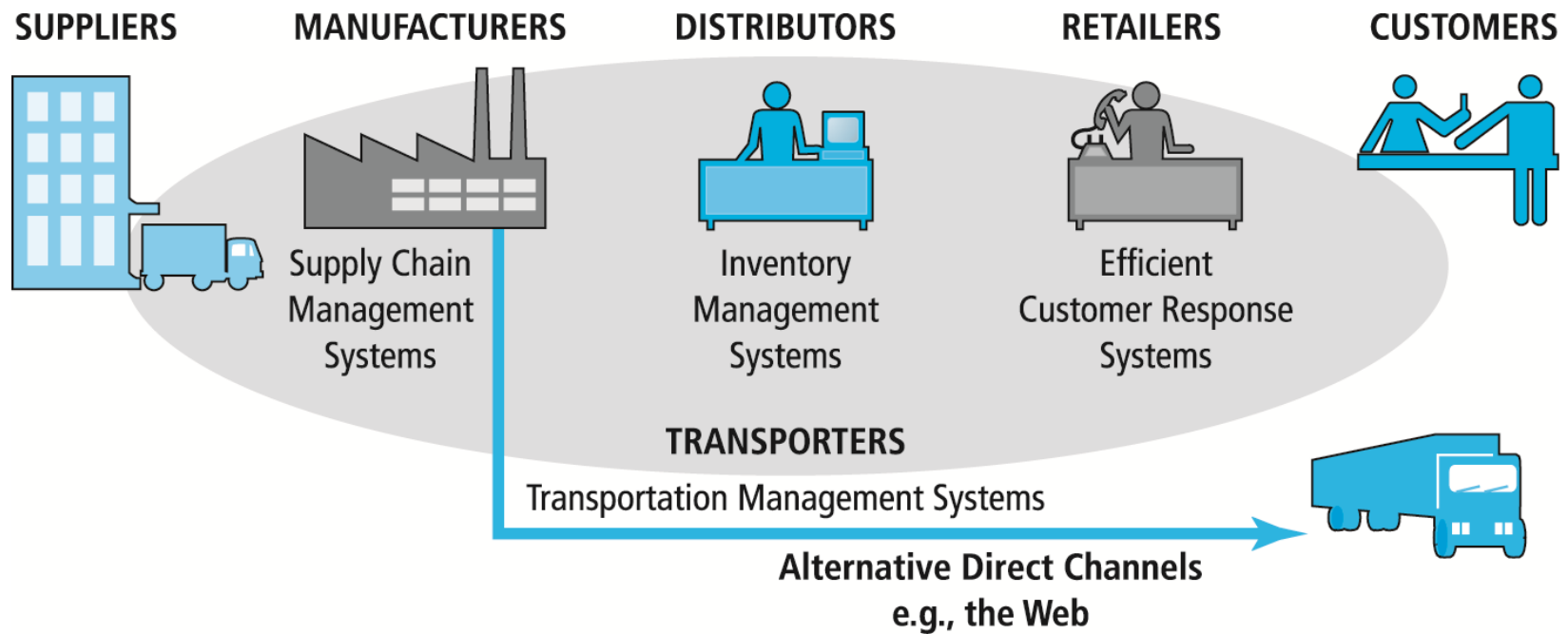
行業結構是指一個行業中各成員的特性和相互間的議價能力。



E-commerce has many impacts on industry structure and competitive conditions. From the perspective of a single firm, these changes can have negative or positive implications depending on the situation. In some cases, an entire industry can be disrupted, while at the same time, a new industry is born. Individual firms can either prosper or be devastated.

## 2. Industry Value Chains

- It is the set of activities performed by suppliers, manufacturers, transporters, distributors, and retailers that transform raw inputs into final products and services. Each of these activities adds economic value to the final product.  
行業價值鏈是由供應商、製造商、運輸商、分銷商和零售商執行的一個行業內從原材料採購到形成最終產品或服務的一系列活動。其中每項活動都能為最終產品添加經濟價值。
- Internet reduces cost of information and other transactional costs.  
互聯網降低了信息成本和其他交易成本。



## E-Commerce and Industry Value Chains

Leads to greater operational efficiencies, lowering cost, prices, adding value for customers.

提高了運營效率，降低了成本和價格，消費者獲得的價值增加。



### 3. Firm Value Chains

- It is the set of activities that a firm engages in to create final products from raw inputs. Each step in the process of production adds value to the final product.

企業價值鏈是一個企業內從原材料採購到形成最終產品或服務的一系列活動。  
企業在從原材料到最終產品的生產過程中每一步都要增加價值。

- E-commerce offers firms many opportunities to increase their operational efficiency and differentiate their products.

電子商務為企業提供了許多提高其運營效率和產品差異化的機會。

### 3. Firm Value Chains

- Firms can use the Internet's communications efficiency to outsource some primary and secondary activities to specialized, more efficient providers without such outsourcing being visible to the consumer.  
企業可以利用互聯網的通信效率將一些主要和次要活動外包給專業的、更高效的供應商，而消費者不會看到這種外包。
- Firms can use e-commerce to more precisely coordinate the steps in the value chains and reduce their costs.  
企業可以使用電子商務更精確地協調價值鏈中的步驟，降低成本。
- Firms can use e-commerce to provide users with more differentiated and high-value products.  
企業可以利用電子商務為用戶提供更具差異化和更高價值的產品。

**SECONDARY ACTIVITIES**

**PRIMARY ACTIVITIES**



## **E-Commerce and Firm Value Chains**

- Firms can use the Internet's communications efficiency to outsource some primary and secondary activities to specialized, more efficient providers without such outsourcing being visible to the consumer.

企業可以利用互聯網的通信效率將一些主要和次要活動外包給專業的、更高效的供應商，而消費者不會看到這種外包。

- Firms can use e-commerce to more precisely coordinate the steps in the value chains and reduce their costs.

企業可以使用電子商務更精確地協調價值鏈中的步驟，降低成本。

- Firms can use e-commerce to provide users with more differentiated and high-value products.

企業可以利用電子商務為用戶提供更具差異化和更高價值的產品。

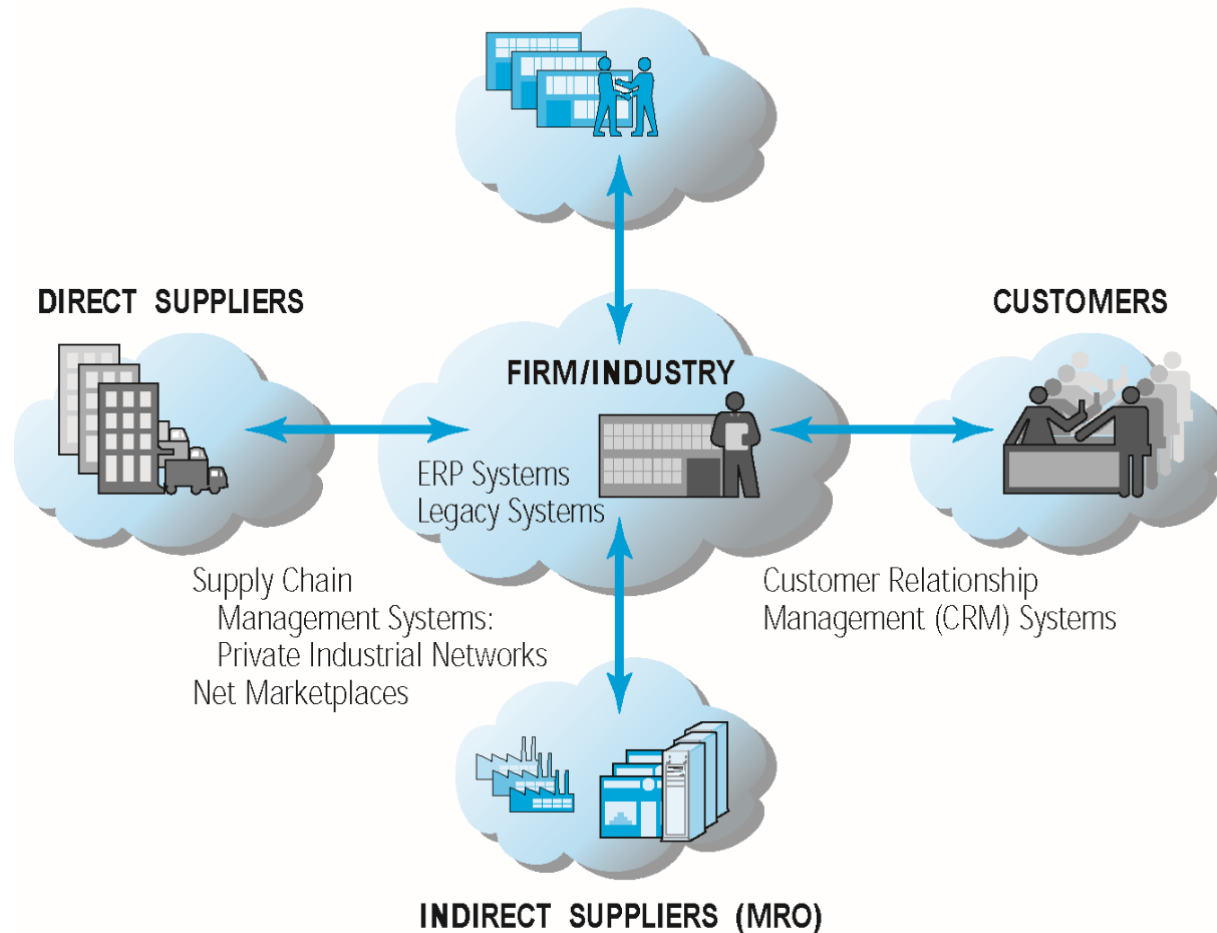
## 4. Firm Value Webs

- It is a networked business ecosystem that uses e-commerce technology to coordinate the value chains of business partners within an industry, or at the first level, to coordinate the value chains of a group of firms.

它是企業的一個網絡生態系統，其利用電子商務技術來協調合作企業之間的價值鏈。

- A value web coordinates a firm's suppliers with its own production needs using an Internet-based supply chain management system

價值網利用基于互聯網的供應鏈管理系統與企業供應商協調生產需求。



### Internet-Enabled Value Web

Internet technology enables firms to create an enhanced value web in cooperation with their strategic alliance and partner firms, customers, and direct and indirect suppliers.

互聯網技術使公司能够與其戰略聯盟和合作夥伴公司、客戶以及直接和間接供應商合作，為公司創造更大的價值網。

## 5. Business Strategy

- It is a set of plans for achieving superior long-term returns on the capital invested in a business firm. A business strategy is therefore a plan for making profits in a competitive environment over the long term.

它是企業為所投入的資本獲得較高的長期回報而制定的一系列計劃。因此，企業戰略是在競爭環境中長期獲利的計劃。

- Five generic strategies for achieving profit:

实现利潤的五種通用策略：

- Product/service differentiation 產品/服務的差异化
- Strategy of cost competition 成本競爭戰略
- Scope strategy 擴大範圍戰略
- Focus/market niche strategy 聚集/細分市場戰略
- Customer intimacy 客戶關係緊密化

## 5. Business Strategy

Product/service differentiation 產品/服務的差異化

**Differentiation** refers to all the ways producers can make their products or services unique and distinguish them from those of competitors.

差異化是指製造商想盡辦法使他們的產品或服務具有獨特性，能與其他的競爭對手區分開來。

The opposite of differentiation is **commoditization**—a situation where there are no differences among products or services, and the only basis of choosing is price.

和差異化相對的是同質化——產品之間或服務之間沒有差異，選擇的唯一依據是價格。

## 5. Business Strategy

### Strategy of cost competition 成本競爭戰略

**Strategy of cost competition** means a business has discovered some unique set of business processes or resources that other firms cannot obtain in the marketplace.

差異化是指製造商想盡辦法使他們的產品或服務具有獨特性，能與其他的競爭對手區分開來。

Competing on cost can be very tricky. Competitors can also discover the same or different efficiencies in production. And competitors can also move production to low-cost areas of the world. Also, competitors may decide to lose money for a period as they compete on cost.

成本競爭很需要技巧。競爭對手可以找到相同的或不同的提高生產效率的方法，競爭對手也可以將生產轉移到世界上的低成本地區。此外，競爭對手可能以決定犧牲短期的利潤來進行成本競爭。

For producers, their self-technology, proprietary tacit technology (technology that is not published or codified), and a loyal, skilled workforce are in the short term difficult to purchase in factor markets. Therefore, cost competition remains a viable strategy.

對於生產商來說，他們自有的技術、專有的隱性的技術（未公開成文的技術）以及忠誠的有經驗的工人則是短期內很難在要素市場上購買的。因此，成本競爭仍然是一種可行的策略。



## 5. Business Strategy

Scope strategy 擴大範圍戰略

**Scope strategy** is a strategy to compete in all markets around the globe, rather than merely in local, regional, or national markets.

擴大範圍戰略是一種在全球所有市場中競爭的戰略，而不是僅僅局限在本地、區域或國內市場進行競爭。

The Internet's global reach, universal standards, and ubiquity can certainly be leveraged to assist businesses in becoming global competitors.

互聯網的全球影響力、通用標準和普遍存在性毫無疑問地可以幫助企業成為全球競爭對手。

## 5. Business Strategy

Focus/market niche strategy 聚集/細分市場戰略

**Focus/market niche strategy** is a strategy to compete within a narrow market segment or product segment. This is a specialization strategy with the goal of becoming the premier provider in a narrow market.

聚集/細分市場戰略是在狹小的細分市場或產品市場內競爭的戰略。這是一種專業化戰略，目標是成為狹小市場上的首要供應商。

For instance, L.L.Bean uses e-commerce to continue its historic focus on outdoor sports apparel; and W. W. Grainger focuses on the narrow MRO market segment.

例如，L.L.Bean 利用電子商務繼續把目標集中在戶外運動服裝上；W. W. Grainger 專注於一個被稱為 MRO 的狹小細分市場上。

## 5. Business Strategy

### Customer intimacy 客戶關係緊密化

**Customer intimacy** focuses on developing strong ties with customers. Strong linkages with customers increase *switching costs* (the costs of switching from one product or service to a competing product or service) and thereby enhance a firm's competitive advantage.

客戶關係緊密化注重于與客戶建立緊密的聯繫.與客戶的緊密聯繫增加轉換成本（從一種產品或服務轉換到競爭產品或服務的成本），從而增強了公司的競爭優勢.

For example, Taobao retains customer details and recommendation services based on previous purchases makes it more likely that customers will return to make subsequent purchases.

例如，淘寶會保留客戶詳細信息，以及會根據客戶之前的購買記錄推薦服務，從而使客戶更有可能繼續在該平臺進行消費.

## 5. Business Strategy

BUSINESS STRATEGIES		
STRATEGY	DESCRIPTION	EXAMPLE
Differentiation	Making products and services unique and different in order to distinguish them from those of competitors	Warby Parker (vintage-inspired prescription eyeglasses)
Cost competition	Offering products and services at a lower cost than competitors	Walmart
Scope	Competing in all markets around the globe, rather than merely in local, regional, or national markets	Apple iDevices
Focus/market niche	Competing within a narrow market or product segment	Bonobos (men's clothing)
Customer intimacy	Developing strong ties with customers	Amazon; Netflix

# Exercise

1) \_\_\_\_\_ and \_\_\_\_\_ are typically the most easily identifiable aspects of a company's business model.

2) A company's \_\_\_\_\_ is at the very heart of its business model.

3) The \_\_\_\_\_ element of the business model refers to the presence of substitute products in the market

# Exercise

**4) A firm's \_\_\_\_\_ describes how a firm will produce a return on invested capital.**

**5) Which of the following is not a significant influence on a company's competitive environment?**

- A) how many competitors are active
- B) the market share of each competitor
- C) the availability of supportive organizational structures
- D) how competitors price their products

**6) The existence of many competitors in any one market segment may indicate:**

- A) an untapped market niche
- B) the market is saturated
- C) no one firm has differentiated itself within that market
- D) a market that has already been tried without success

# Exercise

**7) A perfect market is one in which:**

- A) there are no competitive advantages or asymmetries because all firms have equal access to all the factors to production
- B) one firm develops an advantage based on a factor of production that other firms cannot purchase
- C) one participant in the market has more resources than the others
- D) competition is at a minimum, as each niche market within an industry is served by the company with the greatest competitive advantage

**8) A \_\_\_\_\_ specifically details how you plan to find customers and sell your product.**

**9) All of the following may lead to a competitive advantage *except*:**

- A) less expensive suppliers
- B) better employees
- C) fewer products
- D) superior products

# Exercise

**10) Which type of investor typically becomes interested in a start-up company after it has begun generating revenue?**

- A) incubators
- B) angel investors
- C) crowdfunders
- D) venture capital investors

**11) Which of the following is *not* a key element of an elevator pitch?**

- A) exit strategy
- B) growth metrics
- C) legal structure
- D) market opportunity

**12) If you wished to leverage the ubiquitous nature of the Web to differentiate your product, you would:**

- A) enable individual customization of the product by consumers
- B) implement a strategy of commoditization
- C) adopt a strategy of cost competition
- D) develop a scope strategy to compete within a narrower market segment



# Exercise

**13) In general, the key to becoming a successful content provider is to:**

- A) own the content being provided
- B) own the technology by which content is created, presented, and distributed
- C) provide online content for free
- D) provide other services as well as online content

**14) What is the primary revenue model for an e-distributor?**

- A) sales
- B) transaction fee
- C) advertising
- D) subscription

**15) A \_\_\_\_\_ marketplace supplies products and services of interest to particular industries.**

# Exercise

**16) Which business strategy involves implementing a new, more efficient set of business processes that other firms cannot yet obtain?**

- A) strategy of cost competition
- B) scope strategy
- C) customer intimacy strategy
- D) focus/market niche strategy

**17) A \_\_\_\_\_ is a networked business ecosystem that coordinates a firm's suppliers, distributors, and delivery firms with its own production needs using an Internet-based supply chain management system.**

**18) A strategy designed to compete within a narrow market or product segment is called a \_\_\_\_\_ strategy.**

# Exercise

**19) The \_\_\_\_\_ element of the business model addresses what a firm provides that other firms cannot.**

**20) Which of the following involves a company giving away a certain level of product or services without charge, but then charging a fee for premium levels of the product or service?**

- A) advertising revenue model
- B) transaction revenue model
- C) subscription revenue model
- D) transaction fee revenue model

**21) Organizations that typically provide an array of services to start-up companies along with a small amount of funding are referred to as:**

- A) angel investors
- B) crowdfunders
- C) incubators
- D) venture capital investors

# Exercise

**22) Which of the following is an unfair competitive advantage?**

- A) brand name
- B) access to global markets
- C) lower product prices
- D) superior technology

**23) Which of the following gives a business model the most credibility with outside investors?**

- A) the firm's management team
- B) the firm's value proposition
- C) the firm's market opportunity
- D) the firm's market strategy

**24) \_\_\_\_\_ is another name for a revenue model.**

# Exercise

**25) The use of a company's competitive advantage to penetrate surrounding markets is known as \_\_\_\_\_.**

**26) A wealthy individual who invests personal funds in a start-up in exchange for an equity share in the business is referred to as a(n) \_\_\_\_\_.**

- A) incubator
- B) angel investor
- C) venture capital investor
- D) crowdfunder

**27) Which of the following is *not* a variation of the e-tailer business model?**

- A) bricks-and-clicks
- B) virtual merchant
- C) market creator
- D) manufacturer-direct

# Exercise

**28) The business model of e-tailers is similar to that of:**

- A) e-distributors
- B) transaction brokers
- C) exchanges
- D) service providers

**29) Portals primarily generate revenue in all of the following ways *except*:**

- A) charging advertisers for ad placement
- B) collecting transaction fees
- C) sales of goods
- D) charging subscription fees

**30) All of the following are business models employed in the online music industry *except*:**

- A) subscription
- B) peer-to-peer streaming
- C) download-and-own
- D) cloud streaming

# Exercise

**31) The financial services, travel services, and job placement services industries typically use the \_\_\_\_\_ business model.**

**32) In the \_\_\_\_\_ business model, a web-based business builds a digital environment in which buyers and sellers can meet, display products, search for products, and establish prices.**

**33) All of the following are examples of business-to-business (B2B) business models *except*:**

- A) e-distributors
- B) e-procurement
- C) exchanges
- D) portals

# Exercise

**34) Taobao is an example of which of the following business models?**

- A) B2B service provider
- B) exchange
- C) e-distributor
- D) industry consortia

**35) \_\_\_\_\_ create and sell access to digital markets.**

- A) E-distributors
- B) Portals
- C) E-procurement firms
- D) Market creators

**36) Innovative entrepreneurs and their business firms that destroy existing business models are referred to as \_\_\_\_\_.**

- A) crowdfunders
- B) venture capitalists
- C) disruptors
- D) angel investors



# Exercise

**What is a business model? How does it differ from a business plan?**

**What are five primary revenue models used by e-commerce firm?**

**What are five generic business strategies for achieving a profitable business?**

# Exercise

**Define elevator pitch and describe its key elements.**

# Exercise

**How many key elements of a business model? Please give their names.**